Scott. II-27—50,000—23-11-42.

Development (194 3) Department.

Dept M

SERIES.

G.O. No. 357

357

20:3:43

Dated 20th March 1943.

[Despatch Abstract.]

Acts and rules - Sugar Cane Act - Hospet Controlled Area-(Bellary District) - Fixation of price 1941-42 season - Definition of term 'Average price' Amendment Issued.

To,

The Second Adviser,

Government of Madras.

Dev. Secy. Dis. No. 2280 IA/42

Respected Sir,

We the undersigned ryots,--who-supplied cane to the Sugar Factory at Hospet, and to whom payment of Bonus is still over due, beg to submit the following mahajoo:

Our president, and some-ryots,-have-hither to sent many letters, petitions, and wires to-expedite-the orders for payment of the overdue bonus, but to no purpose. We are at a loss to know the reason for delay.

We beg to submit,-we-are-only-poor ryots depending upon money every now and then for seasonal operations on our wet lands. The Government are aware that money-market-is-now-almost closed to us due to war and many other extraneous causes; and at the same time, the money due to us is held up unnecessarly long for reasons not known to us.

Under the circumstances, you can guess, our plight; and taking pity on us be pleased to order at least partpayment of the bonus, say about ¾, at once to enable us to meet our (over)necessary expences on lands; and the remainder at a later date and oblige.

For which act of kindness we pray.

From:-

P. Ambanna

HOSPET. D. 7-9-42.

We beg to remain,

Copy to:-

(1) Director of Industries, Madras.
(2) Director of Agriculture, Madras.

Dev. Dept

Endl. No. 2280 IA/42-1 dt 12-9-42

Referred to the D. 9 & E - for very early remarks.

D. 9 & E. with copy of petition.

550

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

Received here at ——— H. ——— M. No.

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any), and number of words.

This form must accompany any inquiry respecting this Telegram.

Eden Press, Calcutta—No. 144 (5173/B-93)—15-7-41—30,000 Bks.

C. 3. 23825

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

No.

Received here at — H. — M.

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any), and number of words.

This form must accompany any inquiry respecting this Telegram.

Eden Press, Calcutta—No. 144 (5173/B-93)—15-7-41—30,000 Bks.

Q. Nurs at once
Very urgent

Dev. Dept.

Memo. No. 22801 A/62-2 Dt 29.9.1962

Subject :- Acts & Rules - Sugarcane Act - Hospet Controlled area - ~~Bellary~~ (Bellary district) - The India Sugars & Refineries Ltd - Delayed in payment of deferred loans. ~~to cane growers~~ Reference - Govt. endt. No. 22800 IA/62-1 Dt 12-9-1962

Ref. 1 & 2

A copy of a telegram received from the President, Ryots' Association, Hospet, is forwarded to the D.Q. & C. He is requested to report whether the ~~declared~~ published the average price of sugar as required by the Govt. notification issued with G.O. No. 2014 Dev-

Put up Q (R) in file.

of 3-11-1941 and if so the date on which it was published. He is also requested to report the reasons if any for the delay in the payment of the deferred bonus.

2. A copy of the telegram from the President, Ryots' Association, Hospet, complaining about the delay in the payment of the deferred bonus by the India Sugars & Refineries Ltd., Hospet, to the ryots who supplied sugarcane to the factory during the 1941-42 season is communicated to the Collr. of Bellary. He is requested to enquire and report why the reasons for the delay in the payment

MD 3-5-43.

of the hours & wh also whether action should be taken under against the factory under the Madras Sugarcane Copy of (T) Rules, 1938.

29/9/47

To the D. I. & C. with copy of telegram
To the Collector of Bellary. with Copy of telegram 1/Jp 3.5 C 6.

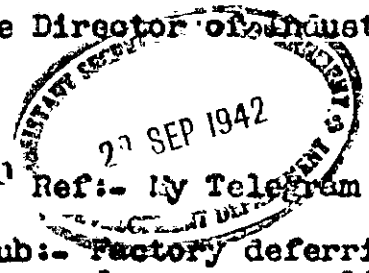
Copy to A Asst Copy telegram

Dept Dpo. 29/9/47

11

P. Ramachendra Rao, B.A.
President, Ryots Association, Hospet. 23888

To
The Director of Industries,
Madras.



Sir,

Ref:- My Telegram Dated 23-9-42.

Sub:- Factory deferring full and final payment of excess price for cane supplied (1941-42) as per your notification dated 31-8-42 on plea of appeal against the above notification - however insisting (if ryots so desire) on provisional payment at factory figure only. - Ryots receiving payments under protest- pray expedite orders full payment as per your notification of 31-8-42.

.....

In continuation and confirmation of my telegram quoted above, submit the following for your kind consideration.

There was delay in receipt of notification fixing the price of sugar consequently price of cane. Hence there was some move among the ryots to approach you (vide My Telegram dated 8-9-42 and letter d/11-9-42 addressed to you) for seeking permission to receive some provisional and part payment against our excess price due by factory for the cane supplied as per Government rate (declaration still awaiting then) to meet some of their financial needs.

We were glad to hear for the first time the news of the receipt of your notification d/ 31-8-42 fixing the price of sugar from the Tahsildar on 16-9-42 (Vide my telegram dated 16-9-42) so we dropped the deputation.

Since then the ryots began to demand payment as per your notification. The Factory deferred payment up to 22-9-42 on various pretexts. On the same evening when pressed, the Factory pleaded for the first time the plea of appeal against your notification of 31-8-42 for non payment. However, they told us that if we insisted they would make provisional payment at factory figure only. At a gathering of cane suppliers in the premises of the Co-op. Bank and Society office it was discussed and decided that the ryots may receive the provisional payment under protest and without prejudice to our claims for the above notification. Accordingly some ryots are receiving

Hence we are confident that you will not be mislead by the factory's (1) misrepresentation contained their letter d/ 17-9-42 alleged to hav been addressed to you (a kanarese copy of which was put up on the factory's notice board)purporting a me sort of comprdmise between ryots and the factory (2) Strict insistence with regard to the provisional payment being at their own precise figure (neither a piefess nor more). These two facts should not be deemed as proof of the ryots' acquiescence or being much less their acceptance o. this provisional payment as full and final.

Apart from other standing grievences Eg. (1) Basic minimum of a 8/- being uneconomic (2) Continuance of the wrong mexthod of determinatiin of the price of sugar (consequently price of cane - sliding scale)and (3) Unexpected Government control of sugar price (consequently cane price), this year the ryot is again threatened to be hit hard by the intentional and sudden ~~xxxxxxxx~~ clearence of huge stock of sugar at the fag end of the stipulated period(which concerns with the price of sugar and consequently price of cane) June 30th, by the factory obviously tending to lower further the average excess price of cane heavily.

We hope the Government therefore would have disallowed all abnormal sales by the factory not warented by usual and natural circumstances in order to strike a fair and reasonable average excess price for cane .

The ryot is gasping for money. Soliciting issue of orders directing the factory to make immediately full payment as per your notification of 31-8-42.

I beg to remain
Sir,
Your most obedient serva

Hospet.
Dated/24-9-42.

Ramachandra Rao
Hony. President
Ryots Association, Hospet.

Copy ~~xxxxxx~~Submitted to:-
1) Second Advisor, Govt. Madras.
2) Director of Agriculture, Madras.
3) The Manager, "The Hindu", Madras.

P.Ramachandra Rao, B.A;

President, Ryots' Association Hospet.

To,

The Director of Industries, Government of Madras,

Madras.

Sir,

In continuation of my letter Dated 24-9-42 I beg to submit the following:-

The period that concerns with the determination of the average price of sugar consequently cane-price as per the Notification D/3-11-41-Development, Fort St George No 784, is from 1-12-41 upto 15-6-42. Hence the Factory's intentional and sudden clearance of huge stocks on the very closing days of the period is obviously abnormal and ~~solely~~ solely intended to lower average price of sugar and consequently that of cane. This fact could be better realised in view of the increasing scarcity of sugar, guarrantee of its lower price level (no fear of fall in sugar price than that that prevailed then) and possibility of Government raising the controlled price, at the time of the sales by the Factory.

Hence I pray to disallow the Factory's appeal and order payment as per your Notification D/31-8-42 and save the ryots from incurring huge loss.

I am herewith submitting copies of 4 papers to fecilitate reference with regard to my letter D/24-9-42 addressed to you.

I beg to remain

Sir

Yours most obedient servant,

Hospet.

D/25-9-42.

Hony. PRESIDENT.

Enclosures submitted- (To The Director of Industries only)

1. copy of letter by Secretary, Coop. Loan&Sale Socie Hospet D/22-9-42 to I.S.R.Ltd, Hospet.
2. Copy of reply to the above letter from I.S.R.Ltd, D/22-9-42.
3. Canarese copy of letter addressed to you by the Factory D/17-9-42 (put up on I.S.R.Notice by
4. Copy of chitta or payment receipt passed by Fac to one supplier Sri, P.Sivalingiah D/23-9-42

Copies to:- 1. Second Advisor, Govt. Madras.
2. Director of Agriculture Madras.

Div. Diff

Please see the ~~letters~~ copies of letters on pages 11 - 15 above.

The reports called in from the D.J. & the Coll. of Bellary in the memo. in pp - above may be awaited till 10th - 4z

29/9/42

30/9/42

S. 30/9/42

3.

816

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

Received here at H. — — M.

O PK HOSPET 30

WE PRESSED FACTORY PAYMENT PER YOUR SUGAR PRICE NOTIFICATION 31/8/42
FACTORY PUT FORTH APPEAL PRETEXT HOWEVER OFFERED PROVISIONAL PAYMENT
AT FACTORY FIGURE ONLY DIFFICULTIES GOADED US RECEIVING SUCH PAYMENTS
UNDER PROTEST FACTORYS APPEAL UNREASONABLE UNJUST PRAY DROP RIVISION
URGE ORDER IMMEDIATE PAYMENT PER ABOVE NOTIFICATION

- EMMI HANUMANTHAPPA MALPADDI HANUMANTHAPPA KARCANGI
ALLISAIB HEBBAL PEERSAIB OTHER CHITWADGE RYOTS --

The sequence of entries at the beginning of this Telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any), and number of words.

This form must accompany any inquiry respecting this Telegram.

ASSISTANT SECRETARY TO GOVERNMENT
- 1 OCT 1942

(21)

24336

C.F. 32.

Industries and commerce Department

From (Name) P.Madhava Menon Esq., M.B.E.,I.C.S.,
Designation Director of Industries and Commerce,
Station Chepauk, Madras.

Received Registered

To

The Secretary to Government,
Development Department.

Enclosures:

No. 4030-A/42 dated 2nd October 1942.

UNDER SECRETARY
3- OCT 1942
DEVELOPMENT DEPARTMENT

Sir,

Sub: Sugarcane Act - Hospet - The India Sugars and Refineries Ltd. - Delay in payment of deferred bonu

Ref: Government Memorandum No.22801-A/42-2 dated the 29th September 1942--

In accordance with the instructions of Government communicated in Government Memorandum No.20362-A/42-4 dated the 24th August 1942, the average price of sugar was worked out strictly in accordance with the provisions of the statutory notification, and communicated to the Tahsildar, Hospet in this office letter dated the 2nd September 1942, for publication in his office. The Tahsildar is being requested to state the date on which the price notification was published in his office.

2. The reasons for the delay in the payment of the deferred bonus are as follows. The average price worked out the factory was Rs.274-4-5 per ton. The average price

Endt 22801A/42-2

18/

determined by me, excluding transactions in respect of 15,542 bags which could not be construed strictly as coming within the provisions of the statutory notification, was Rs.286-7-9. The reasons for excluding the transactions were set forth in my letter to Government, No.S.8183/42 dated the 7th August 1942. The factory, however, did not accept the price determined by me and it appears from a letter received from the Collector of Bellary that the factory has appealed to Government. In compliance with the request of the Secretary of the Factory, the method by which the average price was determined by me, was explained to him. Meanwhile, the factory is reported to be paying to the ryots on the basis of the average price of sugar determined by the factory's auditors having deposited with the Collector of Bellary a cheque for Rs.17,700/- which is said to represent the excess amount due to the ryots on the basis of the price of sugar determined by me.

1.1.2.15 E (M) 18 19.42 K

In the letter from the ryots communicated with Government Endorsement No.22801-A/42-1 dated the 12th September 1942 the ryots had asked for an advance payment of at least ¾ of the actual amount due to them. The factory is paying them deferred bonus at Rs.4-12-9.6 per ton which is more than ¾ of the actual deferred bonus namely Rs.5-6-4.8 per ton due to them as determined according to the schedule appended to G.O.No.Ms.2014, Development, dated the 3rd November 1941.

bottom of p 1 (R)

Director of Industries and Commerce.

c.v./2-10. The report from the Collr. of Bellary called for in para 2 supra & above and the further report from the Collr. of Bellary may be awaited till 10.10. Dy. Secy. may see. With reference to Govt. p. 17 above we had telegraphed about this a few days ago. Shall then Dy. Secy. may see.

Dev. Dept. 191

D.O. No. 22801/A/42-3 dt 15-10-1942

Dear Sir,

Subject:- Acts & Rules - ~~Sugarcane~~ Sugarcane Act - Hospet Controlled area - The Godavari Sugars & Refineries Ltd.,- Delay in payment of deferred loans - Reference - memo: No 22801 A/42-2 dt 29-9-1942.

I am to enquire when a reply to the reference quoted above may be expected. The matter should be treated as very urgent.

Yours faithfully,
(Y.S.)
for Secretary to Government

To
D. M. Fraser, I.C.S.,
Collector of Bellary,
Bellary

P.T.O.

Dow. Delhi

D.O. No. 2280/A/62 dt 15.10.1962

(Dy Secy —)

Subject:- Acts & Rules - Sugarcane Act - Hospet controlled area - (Bellary district) - The Indian Sugars & Refineries Ltd. - Delay in payment of deferred bonus -

Reference - your letter No. A-30-A/62 dt 2.10.1962

I am to enquire when the report promised in para 1 of your letter read above may be expected. The matter should be treated as very urgent.

(Y. S. [illegible])

To. P Madhava Menon Esq. I.C.S - D.O. dt.

D.F. 32.

97 (9) 21 3

Department | Received Registered

From (Name) P.Madhava Menon Esq., M.B.E., I.C.S.,
Designation Director of Industries and Commerce, Madras.
Station

To
The Secretary to Government,
Development Department.

21 OCT 1942 — Dev.(Com) 25661/A/21.10.1942 — 17 OCT 1942 — UNDER SECRETARY — DEVELOPMENT DEPARTMENT

Enclosures: One

No. 4030-A/42 dated 15th October 1942.

Sir,

23-26 below

Subject: Letter from the India Sugars and Refineries Ltd. Forwarding.

23-26 above

I forward to Government a letter from the India Sugars and Refineries Ltd., dated the 12th October 1942.

17-18 above

2. As explained to Government in my letter No.4030-A/42 dated the 2nd October 1942, the average price worked out by the factory was Rs 274-4-5 per ton and the average price determined by me was Rs 286-7-9 per ton. The price worked out by the factory includes transactions in respect of 469 bags sold ex-godown and 15043 bags sold to Mr. V.Ramalingam, the Managing Agent at Hospet. On the question whether these transactions should or should not be taken into account in arriving at the average price, depends whether the correct price worked out by the factory or is the one worked out by me. The factory contends that the transactions should not be excluded in arriving at the average price on the ground that the ex-factory price, the ex-godown price and the F.O.R. price are the same. But the transactions referred to were disallowed not on the ground that the ex-godown price was different from the price realised on rails, but on the ground that the statutory notification required that the average price to be fixed should be the average price realised on rails. If the provision of the statutory notification that the average price should be the average price realised on rails at Hospet is construed strictly as ordered by Government in Government Memorandum No.20363-A/42-4 dated the 24th August 1942, then the average price can have reference only to the price actually realised on rails at Hospet and must exclude the price realised ex-g The transactions in respect of 469 bags sold ex-godown and 1 bags sold to Sri V.Ramalingam, the Managing Agent of the factory represent only the price realised ex-factory and not the price realised on rails at Hospect. These transactions had therefore to be excluded in working out the average price realised on rails at Hospet.

(R) (R) 4.30 (M)

(R)

3. It is, however, not clear why the statutory notification contemplates that the average price should be the price realised on rails at Hospet. Presumably the intention of Government in having taken action in this case under the Sugar Cane Act was only to ensure that the cane growers got a fair share of the price realised by the factory on the sugar manufactured by it out of the cane grown by them. If that be so the price of sugar to be considered should be the average price realised by the factory by all their sales within the prescribed date irrespective of the question whether the sale was on rails or ex-factory. On merits, therefore, the distinction between sales on rail and sales ex-factory seems to be without point and there is force in the contention of the management that all the sales prior to the prescribed date should be taken into consideration. That would however necessitate a modification of the Notification.

16/10/42

Director of Industries and Commerce.

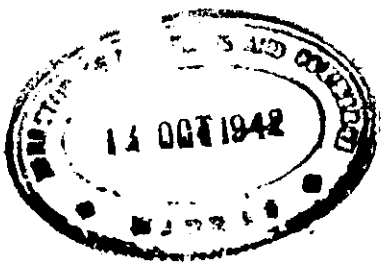
23 5

HE INDIA SUGARS & REFINERIES, LIMITED

(Registered Office: Hospet, Bellary District)

V. RAMALINGAM,
Managing Agent

Codes Used :—Bentley's
Tel: "SUGARS" Hospet



HOSPET, Bellary District.

12th October '42.

Ref. No .....

To

The Secretary,

Development Department,

Government of Madras,

M A D R A S.

Through

The Director of Industries,

Chepauk, M A D R A S.

Sugar - average price - for period 1-12-1941 to 15-6-1942.

S i r,

We beg to make the following representation against the orders of the Director of Industries & Commerce communicated in his letter No. 4030 a/42 dated 29-9-42.

According to the Notification of Development Department the minimum price for purchase of sugarcane not later than 15-6-42 is based on the average price per ton of white sugar realised on rails at Hospet during the period from 1/12/41 to 15/6/42.

Messrs. Frasser & Ross have in their certificate dated 18/7/42 stated that the average price realised was Rs.274/4/5 per ton. The Director has in his letter referred to above, excluded from calculation (i) 469 bags sold ex. godown (ii) 15073 bags sold on 13/6/42 to Mr. V. Ramalingam. The exclusion of these 2 items is based we submit, on a misunderstanding of the exact implications of the Notification referred to above and of the Sugar Controller's order as will be seen from the following paragraphs.

In the 1st place there is really no distinction between the price ex-factory and the price realised on rails at Hospet. The factory situated near the town has a railway siding of its own connecting with the main line at the Railway station. The company charges the same price whether the buyer chooses to buy the sugar ex-godown or on rails at Hospet. Further the sales of both 469 bags and 15073 bags were effected after the price of sugar was controlled. The price fixed by the controller was Rs.31/15/- per bag and the sales referred to above were at this price. We may mention also that according to the orders of the Government of India the buyer was to have the option of having the sugar loaded into his carts or lorries or into the railway wagons at the railway station or siding generally used by the producer, all incidental

THE INDIA SUGARS & REFINERIES, LIMITED
(Registered Office : Hospet, Bellary District)

V. RAMALINGAM,
Managing Agent

HOSPET, Bellary District.

Codes Used :—Bentley's
Tel : "SUGARS" Hospet

Ref. No .....

charges including these for siding and forwarding, being on account of the producer. P.S. the Notification of the Government of India Dept. of Commerce No. Econ Ad (Pc) 225/42 IV (a) dated 30/5/42 cited in foot note to the Sugar Controller Noti. dated No. 5- Sc (1) 42 dated 6-6-42.

Therefore it was not open to the company at any rate on and after the 12th April 1942 to charge different prices for sale ex-godown and sale free on rail at Hospet even if that were possible. We are therefore unable to understand why the sale of the two quantities referred to above should be excluded from calculation.

Subsequent to the date of Sugar control (12-4-42) the company could sell their sugar only to or through a recognised dealer. Under an agreement with the Company Mr.V.Ramalingam is our sole selling agent and further he has been licensed as a recognised dealer by the sugar Controller. Subsequent therefore to the sugar control order all our sales had to be effected either to or through Mr. V. Ramalingam and it is for Mr. V. Ramalingam to decide

whether he should buy it ex-factory or free-on-rails at Hospet. The price will in either case be Rs.31/15/- per bag both for the company and Mr.Ramalingam who is entitled only to a commission on the sales and who could not as agent manipulate the rates. The point to be specifically borne in mind is that the company gets only Rs.31/15/- per bag and that figure has to be taken into consideration in arriving at the average price of sugar.

We therefore contend that all sales to Mr.V.Ramalin after the Sugar control order whether ex-factory or free on rail should be taken into account.

In the result Messrs. Frasser & Ross were quite correct in including the items to which the Director of Industries has taken exception. The average price has been correctly calculated at Rs.274/4/5 per ton by these reputed Chartered Accountants.

We therefore request that the average price of sugar may be fixed at the rates as certified by them.

We beg to remain,
S i r,
Yours obediently,
FOR THE INDIA SUGARS & REFINERIES LTD.,

Secretary.

D.O.No.4030-A42

Dis.No. 25660 A/21-10-42

Director of Industries and
Commerce, Madras.
19th October 1942.

My dear Sivasankar,

Subject: Sugarcane Act - Hospet India Sugars and Refineries Ltd., payment of bonus.

--

Reference: Your D.O.No.22801-A/42-4 dated the 15th October 1942.

--

The report was despatched on the 16th instant - vide my letter No.4030-A/42 dated the 15th October 1942.

Yours sincerely,

19/10/42

T.Sivasankar Esq., I.C.S.,
Deputy Secretary to Government,
Development Department,
Stonehouse Hill.

Collector's Office, 29

D.O.No.2198/42 Bellary, 21-10-42.

My dear Sivasankar,

Acts and Rules-Sugarcane Act-Hospet controlled area-The India Sugars and Refineries Ltd.,-Delay in payment of deferred bonus-Report.

19 Ref:Your D.O.No.22801/A/42-3 dated 15-10-42.

I have asked the Revenue Divisional Officer, Hospet to send a detailed report in the matter but have not yet received his report so far. I am reminding him by a D.O. today and shall send a report immediately on receipt of reply from him.

Yours sincerely,

To

T.Sivasankar Esq.,I.C.S.,
Deputy Secretary to Government,
Development Department,Stonehouse Hill,
Ootacamund.

10-30

Dw. Dept.

Attention is invited to pages 3-9 above.

The main file on the subject was submitted to Secy on 15-10-1942 for circulation to the Second Adviser.

For orders whether Secy. will be reminded.

No file may kindly be submitted.

26/10/42

S (after time Dinner)

General position

Dw. Dept

Memo. No. 22 80 IA/42-5 dt 26.10.1942

Subject:- Acts & Rules - Sugarcane Act. Hospet controlled area (Bellary district) - Declaration of average price — Reference

ps 21 above Letter from the D. I & C., No. 4030-A/42 dt 15.10.1942.

The D. I. & C. is requested to furnish very urgently a copy of his letter No. 4030 a/42 dt 29-9-1942, referred to in the appeal preferred by the Indian Sugars & Refineries, Ltd., Hospet.

A of ps. 23 above

This is with reference to the Memo. of the Director of Industries & Commerce, Madras

To the D. I. & C.

26/10/42

26/10/42

I.

C.F. 32 (a).

Dis.No 2662/A

3325

In reply please quote number, date and short title.

Received 2-11-42 Registered

DEPARTMENT.

UNDER SECRETARY

31 OCT 1942

DEVELOPMENT DEPARTMENT

From (Name) P. Madhava Menon, M.Ag., I.C.S.,

(Designation) Director of Industries & Commerce,

POST BOX 432, (STATION) Chepauk, Madras.

Telegraphic Address

ASSISTANT SECRETARY TO GOVERNMENT

1-NOV 1942

DEVELOPMENT DEPARTMENT

To

The Secretary to Government,
Development Department.

No. 4030-A/42, *dated* 29th October *1942*.

Sir,

Subject:- Acts and Rules - Sugarcane Act - Hospet controlled area - Declaration of average price.

Reference:- Government Memorandum No. 2280-A/42-5, dated 26th October 1942.

ENCLOSURES

1 Statement

SPARE COPIES

A copy of my letter No.4030-A/42, dated 29th September 1942 to the India Sugars and Refineries Ltd., is enclosed.

30/10/42

Director of Industries & Commerce.

Copy of letter No.4030-A/42, dated 29th September 1942 from the Director of Industries and Commerce, Madras, to the Secretary, the India Sugars and Refineries Ltd., Hospet.

The average price of sugar to be determined according to G.O.No.Ms.2014, Development,

Seen the
original enclosure
(1)
to remark for
file.

2 36 34

dated the 3rd November 1941 has to be the average price realized on rails at Hospet for one ton of white sugar excluding excise duty and sales tax but including commission to selling Agents during the period commencing on and from the 1st December 1941 till the 15th June 1942. An investigation of the detailed statement of accounts sent by you with your letter dated the 18th July 1942 showed that the statement included transactions in respect of (i) 469 bags sold ex-godowns and (ii) 5073 bags sold on 13th June 1942 to Mr. V. Ramalingam, the Managing Agent of the factory, who subsequently sold the quantity to wholesale dealers at Hospet. The price realised by the factory on account of these transactions amounting to 15542 bags cannot be construed as price "realised on rails at Hospet" within the provisions of the statutory notification and these transactions had therefore to be excluded in arriving at the average price. The average price of Rs.286-7-9 per ton notified by me should therefore be taken as the final average price worked out according to the provisions of the statutory notification. The payments to ryots may therefore be made on the basis of this price.

(9)

35 39

F. 32 (a).

DEPARTMENT.

In re[illegible] please quote number, date and short title.*

Received ..... *Registered* Demo 26622/A

UNDER SECRETARY 3 OCT 1942 DEVELOPMENT DEPARTMENT

2/11/42

From (Name) P. Madhava Menon, Esqr., M.B.E., I.C.S.,

(Designation) Director of Industries & Commerce,

Post Box 432, (Station) Chepauk, Madras.

Telegraphic Address .....

ASSISTANT SECRETARY TO GOVERNMENT DEVELOPMENT DEPARTMENT 1-NOV 1942 16

The Secretary to Government,
Development Department.

No. 4030-A/42 *dated* 29th October *1942.*

Sir,

Subject:- Sugarcane Act - Hospet - Date of publication of notification of price.

ENCLOSURES
Nil - as above

Reference:- My letter No.4030-A/42, dated 2nd October 1942.

SPARE COPIES
Copy at page 40 below

The Tahsildar who was requested to state when the notification in regard to the average price of sugar communicated to him on 2nd September 1942 was published in his office has replied that it was published on 16th September 1942. He has attributed the delay in the publication of the notification to the concerned clerk being on casual leave from the 10th to 15th September 1942.

[illegible] 30/10/42

Director of Industries & Commerce.

48

D.W. Dept.

Memo No. 2280 I A/42

Subject: Acts & Rules. Sugar cane Act. Hospet Controlled area — Reference letter from the D. of S. & C., No. AO 30-A/42 dt 29.10.1942.

The D. of S. & C. is requested to submit a copy of the notification declaring the average price for the 1941-42 of sugar for the 1941-42 season.

To the D. of S. & C.

The company has filed appeal against the notification. A copy of it is necessary. The main file is with Secy. He was reminded on 26.11.

S.I. Dev. Dept

39

Telegram No. 2280/A/42.

To Director of Industries and Commerce,
Madras

p 35 above

Reference your letter No. 40 30. A/42 [dated] 29th October regarding notification [of] average price [of] Sugar [at] Hospet. Stop Send copy of your notification declaring average prices.

Dy Secretary
3.11.42

Dy. Secretary
3/11/42

3/11/42

Dy. Secretary
3/11/42

C.F. 32 (a).

(6)

39. 1-F 9

Dev-Gen 27099/A

9.11.42

.....Department	Received ..... Registered .....
From (Name) P.Madhava Menon Esq., M.B.E., I.C.S.,	To
Designation Director of Industries and Commerce,	The Secretary to Government, Development Department, Stonehouse Hill, Ootacamund.
Madras.	

SECRETARIAT GOVERNMENT 8-NOV 1942 DEVELOPMENT DEPARTMENT

Enclosures :

No. 4030 A/42 dated 6th November 1942.

Sir,

p37-below

Reference: Your telegram dated 3-11-1942 regarding notification of the average price of sugar in the Hospet Sugar Factory.

---

p40-below

I enclose, as requested, a copy of the notification published under my authority at the office of the Tahsildar, Hospet.

Dev. Dept.

The main file on the subject was submitted to Secretary on 15-10-42 and he was reminded on 26.10.1942. This For orders whether this will be submitted to Secretary and whether he will be reminded for the return of the main file and the reminder file.

P.T.O.

May be submitted to the Secy.

S 11/11/42 CAM

7/11/42

P. Madhava Menon

for Director of Industries and Commerce.

Copy of Notification.

--

Department of Industries and Commerce, Madras.

--

The average price of white sugar at Hospet has been determined in the manner described in the notification issued by the Government in the Development department and published in the Fort St.George Gazette dated 11th November 1941 and it works out to Rs.286-7-9 per (Rupees Two hundred and eighty six, annas seven and pies nine) per ton.

P.Madhava Menon,
2-9-1942
Director of Industries and Commerce.

Madras.

C.F. 32 (a).

AGRICULTURAL Department

From (Name) P.H.RAMA REDDI ESQ., I.A.S.,

Designation Director of Agriculture,

Station Madras.

Received Registered 698

To

The Secretary to Government,
Development Department,
Stonehouse Hill,
The Nilgiris.

Enclosures:

No. C.2.1361.42 dated 9th January 194 3.

Sir,

Acts and Rules - Sugarcane Act, Hospet controlled area (Bellary district) - The Indian Sugars & Refineries Ltd. - Delay in payment of deferred bonus.

Government Memorandum No.22801-A/42-2 dated the 29th September 1942.

As far as I am aware the question of payment of the deferred bonus by the India Sugars and Refineries Ltd., Hospet, to the ryots who supplied sugarcane to the factory during the 1941-42 season, still remains unsettled. In this connection, I wish to invite the attention of Government to the report submitted in my letter No.C.2.1362.42 dated the 5th January 1943 on the present position in regard to sugar production at Hospet, and to state that an immediate decision by Government ordering the payment of the deferred bonus will have a salutary effect on the local sugarcane

42

growers besides easing the tension between them and the factory.

I have the honcur to be,
S i r,
Your most obedient servant,

DIRECTOR OF AGRICULTURE.

S.L.** Copy to:
The Secretary to Government, Development Department, Chetput, Madras.

Dw. Dept~ A3

Telegram (Express)

Supt., J. Section Dw. Dept.,
Pachayappas College, Kilpauk
Madras.

~~Please~~ Wire date from which price of Sugar was first controlled by Sugar Controller

Put up with ref. to U.S. reply put by J. & U.S. reply in Folder

Bl 11 ~~1~~ 743. Dept. 16.1.43.

The above information is required to incorporate it in M. emp. 2 of the draft placed below. No reply has been received The following telegram is submitted for approval.

Telegram (Express) Night urgent.

Deputy Pachayappa's college, Kilpauk, Madras.

~~Please~~ wire date from which price of Sugar was first controlled by Sugar Controller. Telegram sent to Supt. J Section ~~2 months~~ fifteenth not replied yet. Deputy 19/1/43

Field office 30 Pte.
9/11/43

O.R.

No. 55

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

15/43

O PL MADRAS G 13.5TE 23

.SUPDT DEVELOPMENT DEPTT STONEHOUSEHILL OOTY

EXFACTORY PRICE OF SUGAR WAS CONTROLLED FROM 14TH

APRIL 1942 STOP SUPERINTENDENT DEVELOPMENT DEPARTMENT

MADRAS

MS 124 17/15

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any) and number of words.

This form must accompany any enquiry respecting this telegram.

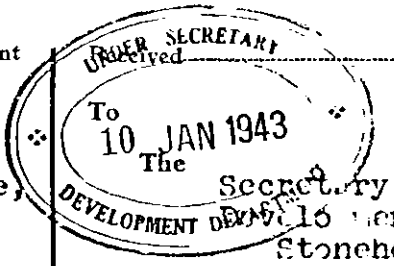
MGIPAh.—1971—16 9-41—10,500.

C.F. 32 (a).

934 47

AGRICULTURE Department — Registered

From (Name) P.H.RAMA REDDI, I.A.S.,
Designation Director of Agriculture,
Station Madras.



To The Secretary to Government,
Development Department,
Stonehouse Hill,
The Nilgiris.

599

Enclosures:

No. C.F.1361.42 dated 9th January 194

Sir,

Acts and Rules - Sugarcane Act, Hospet controlled area (Bellary district) - The Indian Sugars & Refineries Ltd. - Delay in payment of deferred bonus.

Government Memorandum No.2261-A/42-2 dated the 29th September 1942.

As far as I am aware the question of payment of the deferred bonus by the India Sugars and Refineries Ltd., Hospet, to the ryots who supplied sugarcane to the factory during the 1941-42 season, still remains unsettled. In this connection, I wish to invite the attention of Government to the report submitted in my letter No.C.F.1362.42 dated the 5th January 1943 on the present position in regard to sugar production at Hospet, and to state that an immediate decision by Government ordering the payment of the deferred bonus will have a salutary effect on the local sugarcane

48

growers besides easing the tension between them and the factory.

I have the honour to be,
S i r,
Your most obedient servant,

DIRECTOR OF AGRICULTURE.

S.L.** Copy to:
The Secretary to Government, Development Department,. Chetput, Madras.

Dev. Dept.

The main file with relating to payment of the deferred bonus to the ~~Sugar Ag~~ Cane growers of the Hosur area for the supplies made in 1961-62 season, has been sent to Legal in a blue pad for scrutiny of draft notification. This may be added to it on receipt.

17/1/63

12.1.63

Memo.No.2280 (A)/42-9 Development Department.
20.1.1943.

Subject:- Acts and Rules- Sugar-cane Act- Hospet Controlled areas (Bellary District)- Fixation of price- 1941-42 season- Definition of term 'Average price'- Amendment.

Read again:- G.O. No.2014 Dev. dated 3-11-1941.
Government Memo. No.20362 A/42-4 dated 24-8-1942.
Read also:- From the Managing Agent, the India Sugars and Refineries Ltd., Hospet, dated 12-10-1942.
From the D.I.& C., No.4030A/42 dated 6-11-1942.

The appended notification will be published in an extraordinary issue of the Fort St. George Gazette and in the Bellary District gazette.

2. The D.A. Collector of Bellary is requested to give wide publicity to the notification in the important sugar-cane growing areas of the Hospet taluk through the District subordinates of the Rev. Dept. Agricultural Officer, Bellary ~~of the district~~ in the district.

3. The D.A. is requested to submit with his remarks objections to the notification, if any received by him, not later than three days from the latest date fixed for the receipt of objections.

To the D.A.
To the D.I.& C.
To the Collr. of Bellary.
To the S.G.P. for publn. of the notifn.

20/1/43

Appendix.

The following draft of a notification which it is proposed to issue in exercise of the powers conferred by sub-section (2) of section 3 of the Sugar-cane Act, (XV of 1934) is hereby published as required by section 4 of the said Act for the information of all persons likely to be affected thereby. Notice is hereby given that the draft notification will be taken into consideration on or after the 12th Feb. '43 and that any objection or suggestion with respect thereto which may be received from any person before the date aforesaid will considered by the Government of Madras. Objections and suggestions should be sent through the Director of Agriculture, Madras.

Notification.

In exercise of the powers conferred by sub section (2) of

section 3 of the Sugar-cane Act, 1934 (XV of 1934), His Excellency the Governor of Madras is hereby pleased to make the following amendment to Development Department Notification No.788 dated the 3rd November 1941 published at pages 1325-1326 of Part I of Fort St. George Gazette dated the 11th November 1941.

The amendment hereby made shall be deemed to have been made and to have come into force on and from the 3rd November 1941.

Amendment.

In the said notification, for paragraph (2) of the Explanation, the following paragraph shall be substituted, namely:-

"(2) The average price of white sugar shall be the average price based on the prices realised on rails at Hospet for one ton of white sugar on and from the 1st December 1941 up to the date on which the price of sugar was controlled by the Sugar Controller of India, namely the 14th April 1942 and the ex-factory price fixed by him for one ton of white sugar in respect of the sales subsequent to that date till the 15th June 1942 excluding in both cases excise duty and sales tax but including commission to selling agents."

D.W. Dept.

Telegram (Express) 2280/A/42

To: Secy. Govt. Press, (ORSILOCHUS)
Madras

~~#~~ Notification under Sugarcane Act relating to Hospet Controlled Area dispatched to-day ~~arrange~~ Should be ~~to be Act~~ Published in extra-ordinary issue of gazette on 21st instant.

Document
20/1/43

20/1/43 20/1/43

20/43

From

I.M.Fraser Esq., I.C.S.,

Collector,

Bellary.

To

The Secretary to Government,

Development Department,

Madras.

1553

ASSISTANT SECRETARY TO GOVERNMENT
21 JAN 1943
DEVELOPMENT DEPARTMENT

Ref.cNo.3986/42 B3 dated 17-1-43.

UNDER SECRETARY
20 JAN 1943
DEVELOPMENT DEPARTMENT

Sir,

Sub:Acts and Rules- Sugarcane Act-Hospet controlled area-
ellary District)-The India Sugars Refineries Ltd.,-
elay in the payment of deferred bonus-report submitted.

Ref: Government's Memo.No.22801 A/42-2 dated 29-9-42.

The Tahsildar,Hospet,reports that he received the notification dated 31-8-42 of the Director of Industries andCommerce,Madras,fixing the average price of white sugar at Rs 286-7-9 per ton(a copy of which is enclosed for ready reference) on 4-9-42 and that he published it on 16-9-42. He sent a copy of the notification to the Sugar Factory on -- 17-9-42 but the Tahsildar's personal inquiries reveal that the notification in question was received by the Sugar Factory actually on 19-9-42 and that the Secretary of the said factory drew a sum of Rs 75,000/- from the Imperial Bank of India on 21-9-42 and started payment of the deferrd bonus to the cane suppliers from 23-9-42 at Rs 4-12-9 per ton, the rate arrived at by the auditors of the company. The delay from 19th September to 23rd September 1942 in the payment is due to the preparation of accounts and the absence of the Secretary from headquarters. Some other cane suppliers also put in petitions to me requesting my interference for the payment of deferred bonus on the basis of price fixed by the Director of Industries. The Secretary of the factory explains that he has appealed to Government against the price of white sugar per ton fixed by the Director of Industries after depositing a sum of Rs 17,770/- for payment to the cane suppliers towards the differences of the deffered bonus.

2) I submit that the general complaint of the cane suppliers is not so much of the delay in the payment of the amount due to them but of the paymentof Rs 4-12-9 as arrived at by the auditors of the company instead of at Rs 5-6-4 per ton as arrived on the basis of the rate fixed by the -- Director of Industries. Since the Manager of the factory has drawn a cheque for Rs 17,770/- in my favour and since I have credited it to the Revenue deposits for payment towards the difference of the deferred bonus to the cane suppliers I consider that the company is not liable

for punishment under rule 11(1)(L) of the Madras Sugarcane rules 1938.

3) With regard to the delay in the payment of the deferred bonus, I submit that the interval between 19-9-42 the date of the receipt of the notification by the Factory and 23-9-42 the actual date of commencement of payment, was utilised for the preparation of the accounts. It is also said that the Secretary of the Factory was regretably absent from Headquarters during this interval. In view of these facts, I consider that no notice need be taken of the delay on the part of the Secretary in making payments to the cane suppliers.

Collector.

Enc:On

Dw. Dfr

The letter on pages 1-2 above may be perused No action is called for on this letter. May be added to the file on receipt from circulation

T/103.

Department of Industries and Commerce, Madras.

The average price of white sugar at Hospet has been determined in the manner described in the notification issued by the Government in the Development Department and published in the Fort St. George Gazette dated 11th November 1941 and it works out to Rs. 286-7-9 (Rupees two hundred and eighty six, annas seven and pies nine) per ton.

(True Copy)

For Collector.

16/11

a/1871

egistered No. M-1 [PRICE, 6 *pies*.

51

1831

1943

THE FORT ST. GEORGE GAZETTE

PART I—EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 2] MADRAS, THURSDAY, JANUARY 21, 1943

DEVELOPMENT DEPARTMENT.

Draft amendment to notification regarding fixation of minimum prices for the purchase of sugarcane in the Hospet Controlled area.

Fort St. George, January 20, 1943.

No. 21.

The following draft of a notification which it is proposed to issue in exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act (XV of 1934) is hereby published as required by section 4 of the said Act for the information of all persons likely to be affected thereby. Notice is hereby given that the draft notification will be taken into consideration on or after the 22nd February 1943 and that any objection or suggestion with respect thereto which may be received from any person before the date aforesaid will be considered by the Government of Madras. Objections and suggestions should be sent through the Director of Agriculture, Madras.

NOTIFICATION.

In exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act, 1934 (XV of 1934), His Excellency the Governor of Madras is hereby pleased to make the following amendment to Development Department Notification No. 784, dated the 3rd November 1941, published at pages 1325-1326 of Part I of the *Fort St. George Gazette*, dated the 11th November 1941.

The amendment hereby made shall be deemed to have been made and to have come into force on and from the 3rd November 1941.

AMENDMENT.

In the said notification, for paragraph (2) of the Explanation, the following paragraph shall be substituted, namely :—

"(2) The average price of white sugar shall be the average price based on the prices realized on rails at Hospet for one ton of white sugar on and from the 1st December 1941 up to the date on which the price of sugar was controlled by the Sugar Controller of India, namely, the 14th April 1942 and the ex-factory price fixed by him for one ton of white sugar in respect of the sales subsequent to that date till the 15th June 1942 excluding in both cases excise duty and sales tax but including commission to selling agents."

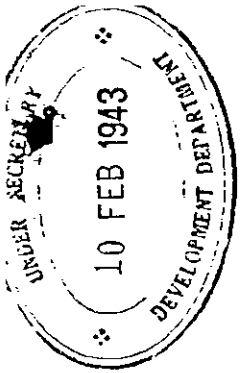
T. SIVASANKAR,
Deputy Secretary to Government.

MADRAS : PRINTED AND PUBLISHED BY THE SUPERINTENDENT GOVERNMENT PRESS.

59. 61

From

Sri. N.Neelakanta Shastry,
Chairman of the Ryots Meeting,
Hospet. (For President)



To

The Secretary,
Development Department,
Government of Madras, Madras.

Thro

The Director of Agriculture,
Chepauk, Madras.

Sir,

In enclosing herewith a copy of Kanarese resolution of the Cane Ryots Meeting on -6-2-'43- to consider the Govt. Memorandum No.22801- A/42 -9 dated 20th Jan.'43 (Amended Notification) I request an immediate reply on the points raised in the resolution, to enable us to reply within the time fixed for such replies.

N. Neelakanta Shastry
8/2/1943.

Chairman.

For President.

FEB 1943

F 61

Free Translation of Kannada Proceedings.

3479

Meeting of cane ryots held at jymnasia of the Sandur Ukkadakery of Hospet on 6-2-'43 under the chairmanship of Sri.N.Nemmanta Shastry, in the absence of Sri.P.Ramachandra Rao the president.-

UNDER SECRETARY 10 FEB 1943 DEVELOPMENT DEPARTMENT

****

Reasons for the meeting:-

(1)- Govt.Memorandum No.22801 - A/42-9 dated the 20th January 1943 of Development Department, issuing an amendment to the G.O.No.2014 Development dated 3-11-1941 and the already issued Notification of Madras Government in their Development Department Notification No. 784 dated the 3rd November 1941, on fixation of cane rate.

Resolution.

(1) The Sugar Factory at Hospet, have not as yet fully paid the cane rate, as fixed by the Director of Industries Madras in his Notification No.4030/42 dated 6-11-'42. Only part payment as per their audited figures is given. The remaining difference is still withheld on plea of an appeal.

(2) It is not known to us, if the Factory management has represented anything in protest to the above quoted subjec in para 1 supra; and as a result of which the present amendmen has been issued.

(3) When this is the state of things, the ryots are at a loss to know, why an amendmended notification was issued to be applied only the 1941 season, changing the authority of the Director of Industries Madras to that of the Sugar Controller of India.

(4) Due to the above said two perplexities stated in paras 2 and 3 supra, it is not possible for the cane ryots to know if either the cane rate to be hereinafter fixed and applied only for 1941 season, is going to the helpful to the ryot or otherwise; or if the present amended notification is

P. T. O.

62/60

in what manner helpful or harmful to him. Therefore we have to state, that it could be possible for us to give either suggestion or objections to the present amended notification, if only the main cause for such an amendment is made known to us.

pp49-50 above

(Sd) N.Neelakanta Shastry.
6-2-'43.
Chairman.
&
32 Signatures of cane ryots.

(True Copy)
N. Neelakanta Shastry
8/2/43 for President

English translation of Pg. 61-62 volume

తారీఖు 6-2-43 నేడు సాయంకాలం హొసపేటె సీనియర్ మునసబు శ్రీ వడ్డగిరి మునియప్ప భావడియవారు, శ్రీ తహసీల్దారు ప్రకాశం పంతులు శ్రీ రామచంద్రరావు, పిన్నవరం శ్రీ సుబ్బారావు, శ్రీ, వ. నిల్లకంఠశాస్త్రి యువరు ఆహ్వానింపబడి వచ్చి తగిన కుర్చీలలో కూర్చుండిరి.

చుట్టుపక్కల సర్కారు పనివారందరూ తెలియజేయడమేమంటే మీ పట్టణం తహసీల్దారు వారు 22 801-A/42-9 తారీఖు 20-1-43 నాటి, సర్కులర్ మెమో నెం. 2014 తేదీ 3-11-41; మరియు సర్కులర్ జ్ఞాపకం నెం. 7841 3-11-41 ఇవ్వబడినది, సదరు ఆర్డరులో సూచించిన ప్రకారం ఈ సభలో ఉపన్యాసాలు చేయడం మొదలైన పనులు చేయడానికి అనుమతి ఇవ్వబడినది.

తీర్మానం (Resolution)

1 మొదటి తీర్మానం ఆనరబుల్ ఇంచార్జి ఆఫీసర్ ఇవరు తెచ్చిన సర్కులర్ మెమో నెం. 4030/42 తారీఖు 6-11-42 ఇవరకు నమూనా ప్రకారం ఇవ్వబడిన ఆర్డరులో, హొసపేటె సర్కిల్ మునసబులు పూర్తిగా కాకపోయినా ఆచరణలో తెచ్చారు. అయితే కొంచెం తేడా (difference) ఉన్నట్లు కనిపిస్తుంది, అపీలు కారణం మూలంగా బాకీలు పడినారు.

2 ఎందుకంటే మునసబు కాంట్రాక్టు పద్ధతిలో హొసపేటె సర్కిల్ మునసబుగా పనిచేస్తున్నారు కాబట్టి ఈ పనిని చేయడానికి ఈ సభలో ఉపన్యాసాలు చేయడం మొదలైన పనులు చేయడానికి అనుమతి ఇవ్వడం అవసరం లేదని ఈ సభ అభిప్రాయపడుతుంది.

64వ) విత్తేయుట్ల కిణాశలు, మట్టాము ఇండస్ట్రీస్ పబ్లిక్ సర్వీస్ అధికారుల బదలు, యుగరాంటెడ్ లాండ్ ఆఫీసర్ ఇండియా ఇవరు అధికారమును 1941 లో సీలుసిన్నగోమ్మాలు ఇలు, మీలుగా సవరణలో నోడవిప్పి రేషన్ జ్ఞాపకారమును లు కారణం నోడ్ రిజిస్టరు చేయుట్లు.

4) మీరు 2, 3, రులమును గళ్ళను కొండి సివయురరు అనుమానకర అంశగళనాలను; ఇన్నుమయుండు, 1941 లో సీలుచిన్న సీమాంత్రలాంగు అగుంతకబ్బర లేటెన్ను నిర్ధరిసు వడ్డుమువలు రిజిస్టరు అనుకూలమోగ అనుకూలమోగుం విషయమన్ను నాము నిర్ధరిసువరకు, అప్పటివరకు కొంట్టిరువ సవరణలో నోడవిప్పి రేషన్ను, రిజిస్టరు చేయువ విషయంగా అనుకూలమోగ, తొందరలోగ యుంటుంగా నన్ను తీర్మానములు సిద్ధపల్లనాగదే. కారణ నమ్మ తీర్మ సవరణలో మమ్ము కారణ మేసంబువదన్ను తీర్మానసిదల్లి నాము నమ్మ సలహే అప్పటివారకు కొంతవుల్లివు.

(Sd) N. Neelakanta Sastry
6/2/43 Chairman.

పత్తు 32 మంది రిజిస్టరదస్థరు.

(True copy)
N. Neelakanta Sastry
8/2/43. Vice President

To
The Secretary
Development Department
Govt. of Madras.
Madras.
Through The Director of Agriculture
Madras

RANGANATHAM
FORMERLY MINISTER
TO THE GOVERNMENT OF MADRAS

Extract of paras 1 & 3
recd. 12/2/43.

Sugar - Hostel
Dewt-Ser

Besant Memorial Buildings, Armenian street, Madras 6 2/40

65

Dear Sir Hugh,

I had been to the Fort St George last evening to see you among others but you were busy with the engagement meeting

2 About the price of cane supplied last year to the Hospet factory, I wrote to Rao Sahib A.V. Tandava Murthy one of the directors to see the collector. Mr Tandava Murthy did so & was told by the collector that he could do nothing, because the matter was under appeal with the government. The position, if I have understood correctly, is like this: Some one or other made a mistake in calculating the period up to which average price was to be calculated. & wanted a higher price to be paid for the cane than what had been paid or offered to be paid by the factory, strictly according to the notification of the government. If

an additional fee is to be paid, the notification (W.P.) issued last year has to be revised now. I thought that I am held the view that last year notification is final for the year & that it should be adhered to. If orders are passed on the matter pending with us & communicated to the collector, it will ease the position in Nagpur. (1) 30 days rule ends

By today I am one of the important signatories to the petition for enquiring into the affairs of the company, under section 108. He is Rao Sahib V.S. Jamnayadas a Merchant of Bangalore He tells me that he had appealed to (2) to explain the Registrar of Joint-Stock Companies to reduce the W.P. amount demanded as deposit for conducting the enquiry, as really the period with reference to which enquiry is to be made is very limited & that he has received no orders yet on the petition. It may interest you to learn that the other side is sending up that if the Board of directors, (who are mostly its men) file enquiry, it is that any sums are repayable by Mr. Ramalingam, that will be done! Yours sincerely

Memo No. 22801 A/42-10 Dt 1-2-43. Dev. Dept. 61

Subject: Acts & Rules - Sugarcane Act - Hospet Controlled area (Bellary district) - Fixation of price - 1941-42 season - Amendment to notification - Reference - letter from the President, Ryots Association, Hospet dated 8-2-1943.

1,962 of

(P) In Dev. Dept. Notfn. No. 784 dated 3-11-1941, it was declared that for the purpose of computing the minimum price for the purchase of sugar cane intended for use in a factory in the Hospet controlled area of the Bellary district for the 1941-42 crushing season, the average price of white sugar shall be the average price realised on sales at Hospet for one ton of white sugar excluding excise duty and sales tax but including commission to selling agents during the period commencing from 1st December 1941 till 15th June 1942. But the price of sugar was controlled by the Sugar Controller of India with effect from the 14th April 1942. The India Sugars and Refineries Ltd., Hospet sold part of their stocks on rails at Hospet and the balance ~~at the ex-factory~~ otherwise than on rails at Hospet at the ex-factory price fixed by the Sugar Controller. According to the

(R) Dev. Dept. notification No. 784 dated 3-11-1941 only the price of stocks actually sold on rails at Hospet can be taken into account for calculating the ~~average~~ average price. It has now been decided to take into account also the price of stocks sold otherwise than on rails at Hospet ~~also~~ at rates fixed by the Sugar Controller for the purpose of computing the average price of sugar, as the factory had no choice in the matter. The draft amendment published

Dept. notification No. 21 dated 21-1-1943 is intended to give effect to this decision.

13/2/43

A/312/43

13/2/43

To the President,
Ryots' Association, Hospet.

Letter No. 22801 A/42-11 Dt 13-2-1943

Reply 13-2-43

To Sri A. Ranganatha Mudaliar, ~~Ex-Minister to the Government of Madras,~~
Besant Memorial Buildings, Armenian Street, Madras.

Despd 13-2-43

Sir,

Reference: your letter to Sir Hugh Hood dated 6-2-1943 regarding payment for sugarcane purchased by the Indian Sugars and Refineries Ltd., Hospet.

I am directed to state that in 1941 the Govt. declared that sugarcane purchased for use in a factory in the Hospet controlled area should be paid for at rates based on the average price of sugar realised on rails at Hospet during the period commencing from 1st December 1941 till 15-6-1942. But the Sugar Controller of India controlled the price of sugars with effect from 16-6-1942. Out of a total of 35 361 bags of sugar sold by the Indian Sugars and Refineries Ltd., as much as 15542 bags were sold otherwise than on rails at Hospet at rates fixed by the Sugar Controller. The average price of sugars realised on rails at Hospet in strict accordance with the Govt notification is Rs. 296-7-9 per ton and that price has been notified by the Dir. of Industries and Commerce, Madras. But the average price of sugar at rates realised by the firm for all its entire stocks (those sold on rails at Hospet and otherwise) is only Rs. 274-4-5. The factory has paid for the cane at rates based on average price of Rs. 274-4-5 and has appealed

15073
+ 46
15542

16535 ½ ?

to the Govt. requesting that the price of sugar sold ex factory at rates fixed by the Sugar Controller should also be taken into account in calculating the average price of sugar. The Govt have decided to comply with the request and have published for criticism a draft ~~notification~~ notification expressing their intention to amend the ~~manner of~~ original notification & prescribed & their decision.

57-S&C/

~~Calculating the price average price of sugar the notification with the rates as for consideration~~

13/7/43 13/7/43

J. O. S.
13/7/43

(9) 71

From,

P. Ramachendra Rao B.A.
President, Ryots Association, Nospet.

SECRETARY TO GOVT. 21 FEB 1943 DEVELOPMENT DEPT.

UNDER SECRETARY 20 FEB 1943 DEVELOPMENT DEPARTMENT

4345

The Secretary, Development Deaprtment,
Government of Madras, Madras.

Thro' The Director of Agriculture, Madras.

Sir,

Ref. G.O. dev. Dept. Memo. No. 22801-A/42-9 dated 20-1-43. & Memo. No. 22801-A/42-10 dated 13-2-43.

Sub. Sugar Cane Act-fixation of price- 41-42 season-definition of term average price-amendment-suggestion submitted.

Putting aside, for the present, some of the disputable points concerning the method of the correct determination of the price of sugar and coming to the question "average price" only, I beg to state as follows:

We feel 'average price' of sugar involves the quantity of sugar sold. In the interest of justice the average quantity of sugar per month sold after the ~~xxx~~ controlled period should not be disproportionate to the the average quantity of sugar sold per month before the controlled date. The excess average quantity of sugar sold per month after control is unusual and abnormal caused by wanton and deliberate sales by the Factory(not warrented by usual and natural circumstances) only to bring down the average price of sugar consequently that of cane.

Illustration.

Sales for 4½ months from 1-12-41upto 14-4-42(pre-controlled period)

Rate per bag of sugar two Cwts		No. of bags sold monthly		Amount
Rs	35/-	3000	(1 month)	105000
	37/-	5000	(2nd ..)	185000
	38/-	7000	(3rd ..)	266000
	36/-	5000	(4th ..)	180000
	35/-	2000	(15 days)	70000
	Total	22,000		806000

Sales for 2 months from 15th April 42 to 15-6-42(controlled period)

32/-	5000	160000
32/-	15000	480000

Method of striking the average.

ow strike averages on different quantities in the second 2 months with those of the first 4½ months:

1)	bags	22000	Rs	806000	average	966000
		5000		160000	per ton	-------- X 10
		27000		966000		27000 Rs =357-12-5
2)		22000		806000		
		15000		480000		1286000 X 10
		37000		1286000		37000
						=Rs 347-9-1

Dieefeence. Rs 10-3-4

hus we see a reduction in the average price of sugar with the rise of averaqe quantity of sugar sold during the controlle period. Consequently proportionate reduction the in the average price of cane for the stiputlated period is affected. So the abnormal and hurried sales on the verge of the termination of the stipulated period(15-6-42) by the Factory is designed to procure this effect, and to defeat the good intentions of the act and Rules Governing cane supply.(Vide ours D/25-9-42) had these huge sales been affected by the Factory on the morning of 16-6-42 we would not have been worried about it.

p 15 above

ence we request that a normal AVERAGE QUANTITY of sugar sales for the second period(15-4-42 to 15-6-42) in confirmity with average sales for the 1St period be taken into account in striking the average price of sugar, in order to do justice to the cause of the grower.

I beg to remain
Sir,

Hospet Dated 19-2-43

Your most obedient servant

ORamachandrarao

President Ryots Assn,
Hospet.

Copy submitted to the Secretary, Government of Madras Development department in advance to save delay.

Dev. Dept.

Memo. No. 22801/A/42-10 dt 25-2-1943.

Subject:- Acts & Rules- Sugar Cane Act- Hospet Controlled area - Fixation of price - 1941-42 - season - Definition of term 'average price' Proposed amendment - Objections & suggestions - Reference - govt-

149-50 above Memo No. 22801/A/42-9 dt 20-1-43.

The D.A. is requested to submit this report immediately. (to Madras this dept. at Madras)

D.A. 24/2 to the

To the D.A.

12

Now strike averages on different quantities in the second 2 months with those of the first 4½ months.

1) bags 22000 Rs 806000 average per ton 966000 / 27000 Rs X 10 = 357-12-5
5000 160000
27000 966000

20 22000 806000
15000 480000
37000 1286000

1286000 / 37000 X 10

=Rs 347-9-1

Dieefrence. Rs 10-3-4

Thus we see a reduction in the average price of sugar with the rise of average quantity of sugar sold during the controlle period. Consequently proportionate reduction tne in the average price of cane for the stipulated period is affected. So the abnormal and hurried sales on the verge of the termination of the stipulated period(15-6-42) by the Factory is designed to procure this effect, and to defeat the good intentions of the Act and Rules Governing cane supply.(Vide ours D/25-9-42) had these huge sales been affected by the Factory on the morning of 16-6-42 we would not have been worried about it.

Hence we request that a normal AVERAGE QUANTITY of sugar sales for the second period(15-4-42 to 15-6-42) in confirmity with average sales for the 1St period be taken into account in striking the average price of sugar, in order to do justice to the case of the grower.

I beg to remain
Sir,

Hospet Dated 19-2-43

Your most obedient servant

ARamachandrarao

President Ryots Assn,
Hospet.

Copy submitted to the Secretary, Government of Madras Development department in advance to save delay.

Dev. Dept.

RO/VN Memo. No. 22801/A/42-1 dt 25-2-1943.
Subject: Acts & Rules- Sugar Cane Act- Hospet Controlled area - Fixation of price - 1941-42 - season - Definition of term 'average price' Proposed amendment - Objections & suggestions - Reference - Govt-
Memo No. 22801 A/42-9 dt 20-1-43.
The D.A. is requested to submit his report immediately
(to Madras this dept. at Madras)

To the D.A.

Agricultural Department.

From
P.H.Rama Reddi Esq., I.A.S.,
Director of Agriculture,
Triplicane, Madras.

To
The Secretary to Government,
Development Department, Stonehouse Hill.

4573

25 FEB 1943

No. C.2.1361-42 dated 23rd February 1943.

Sir,

Sub: Acts & Rules - Sugarcane Act - Hospet controlled area - (Bellary District) - Fixation of price 1941-42 Season - Definition of term 'average price' - Draft Notification - Objections and suggestions.

Ref: Government No.22801 A/42-9 dated 20-1-43.

I have the honour to enclose copies of the following communications received by me on the subject.

(1) Copy of proceedings of the meeting held on 6th February 1943 at Hospet by ryots under the presidentship of Sri N.Neelakanta Shastry.

(2) Copy of letter dated 19th February 1943 from the President, Ryots' Association, Hospet.

No other objections or suggestions have been received by me. I have no remarks to offer.

I have the honour to be,
Sir,
Your most obedient servant,

for DIRECTOR OF AGRICULTURE.

S.G.23-2-P.

(1) Free Translation of Kannada proceedings.

Meeting of cane ryots held at jymnasia of the Sandur Ukkadakery of Hospet on 6-2-43 under the chairmanship of Sri N.Neelakanta Shastry, in the absence of Sri P. Ramachandra Rao the president.

Reasons for the meeting:-

(1) Government Memorandum No.22801-A/42-9 dated the 20th January 1943 of Development Department, issuing an amendment to the G.O.No.2014 Development dated 3-11-1941 and the already issued Notification of Madras Government in their Development Department Notification No. 784 dated the 3rd November 1941, on fixation of cane rate.

Resolution.

(1) The Sugar Factory at Hospet, have not as yet fully paid the cane rate, as fixed by the Director of Industries, Madras in his Notification No.4030/42 dated 6-11-42. Only part payment as per their audited figures is given. The remaining difference is still withheld on plea of an appeal.

(2) It is not known to us, if the Factory management has represented anything in protest to the above quoted subject in para 1 supra; and as a result of which the present amendment has been issued.

(3) When this is the state of things, the ryots are at a loss to know, why an amendmd notification was issued to be applied only the 1941 season, changing the authority of the Director of Industries, Madras to that of the Sugar Controller of India.

(4) Due to the above said two perplexities stated in paras 2 and 3 supra, it is not possible for the cane ryots to know if either the cane rate to be hereinafter fixed and applied only for 1941 season, is going to be helpful to the ryot or otherwise; or if the present amended notification is in what manner helpful or harmful to him.

Therefore we have to state, that it could be possible for us to give either suggestion or objections to the present amended notification, if only the main cause for such an amendment is made known to us.

(sd) N.Neelākanta Shastry
6-2-43.
Chairman &
32 signatures of cane ryots.

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(2) Copy of letter from Sri P.Ramachandra Rao B.A., President, Ryots' Association, Hospet dated 19th February 1943, to the Secretary to Govt.Dev.Dept.

Ref: G.O. Dev. Dept. Memo. No.22801 A/42-9 dated 20-1-43 and Memo. No. 22801 A/42-10 dated 13-2-43.

Sub: Sugar Cane Act - Fixation of price - 1941-42 season - Definition of term average price - amendment - suggestion submitted.

Putting aside for the present, some of the disputable points concerning the method of the correct determination of the price of sugar and coming to the question "average price" only, I beg to state as follows:

We feel 'average price' of sugar involves the quantity of sugar sold. In the interest of justice the average quantity of sugar per month sold after the controlled period should not be disproportionate to the average quantity of sugar sold per month before the controlled date. The excess average quantity of sugar sold per month after control is unusual and abnormal caused by wanton and deliberate sales by the Factory (not warranted by usual and natural circumstances only to bring down the average price of sugar consequently that of cane.

Illustration:

Sales for 4½ months from 1-12-41 to 14-4-42 (pre-controlled period)

Rate per bag of Sugar Two Cwts.	No. of bags sold monthly.	Amount.
Rs.35/-	3000 (1st month)	105000
37/-	5000 (2nd ")	185000
38/-	7000 (3rd ")	266000
36/-	5000 (4th ")	180000
35/-	2000 (15 days)	70000
Total	22,000	806000

Sales for 2 months from 15th April 1942 to 15-6-42 (controlled period)

32/-	5000	160000
32/-	15000	480000

Method of striking the averages:

Now strike averages on different quantities in the second 2 months with those of the first 4½ months:

(1) bags 22000 Rs. 806000 average 966000
5000 160000 per ton ------- X 10
------ -------- 27000
27000 966000 = 357-12-5.

(2) 22000 806000
15000 480000 1286000 X 10
37000 1286000 37000
= Rs.347-9-1.

Difference = Rs.10-3-4.

Thus we see a reduction in the average price of sugar with the rise of average quantity of sugar sold during the controlled period. Consequently proportionate reduction in the average price of cane for the stipulated period is affected. So the abnormal and hurried sales on the verge of the termination of the stipulated period (15-6-42) by the Factory is designed to procure this effect, and to defeat the good intentions of the Act and Rules Governing cane supply. (Vide ours D./25-9-42. Had

these huge sales been affected by the Factory on the morning of 16-6-42 we would not have been worried about it.

Hence we request that a normal AVERAGE QUANTITY of sugar sales for the second period (15-4-42 to 15-6-42) in confirmity with average sales for the 1st period be taken into account in striking the average price of sugar, in order to do justice to the cause of the ~~poor~~ grow

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Copy submitted to the Secretary, Government of Madras, Development Department in advance to save delay.

Letter dy. 19.2.43 from the Chairman, Special Committee, the Hospet Sugar Cane Growers Co-operative Society Ltd. Hospet, to the Secretary to G. Development department.

UNDER SECRETARY
6 - MAR 1943
DEVELOPMENT DEPARTMENT

Endorsement No. C.2. 1361-42 d/2.

Forwarded in continuation of this Office letter No. C-2. 1361-42 d/23.2.

2.3.43
Director of Agriculture

The Secretary to Govt. Dev. Dept.

Draft

The letter under ref. 19-2-43 below is submitted for perusal. The main file on the subject was circulated to AO on 3-3-43.

AR 6/3/43 AO 7/3/43.

Submitted. The notification was published on 21-2-1943. The last day for the receipt of objections was thirty days from the date of publication i.e. on 19-2-1943. The date of receipt of the letter under ref. 3-4 is not clear. It has been numbered only on 1-3-1943. The objection seems to be time barred.

AO. 8/3/43.

Seems to have been received on 22-2-43. It is time barred. Draft letter is submitted. 9/3/43

C.2. 1361-42
1.3.43.

79 3

The Hospet Sugar Cane Growers Co-operative Society, Limited.

NO. Y. 271. (Under Supervision).

From
Sri A.D. Singaram Mudaliar
Chairman, Special Committee HOSPET.

Date. 19. 2. 43. 193

To
The Secretary
The Development Department,
The Government of Madras.

Through
The Director of Agriculture
Madras.

H49-50 abw

Sir,

Sub: Govt Development Department — memo — No. 22601 — A/42 dated 20.1.43. — Act and Rules — Sugarcane Act — Hospet — Controlled area — Bellary Dist — Fixation of price — 1941-42 season — definition of term "Average Price" — Amendment.

Ref: Draft notification dated 20.1.43. H57-58

The Special Committee of the above Society has

Considered the draft amendments, in its meeting held on 19.2.43 and have resolved that the Committee is not in favour of the draft amendments proposed.

A copy of the resolution is Communicated to you for information and kind action.

Yours
Chairman
Special Committee.

Rs 19/2/43

True Copy of resolution No. 6 dated 19-2-43 of the Special Committee of the Hopes Sugarcane Growers Cooperative Society Ltd, Hospet.

No. 6. Read Govt Development Department memo No. 22801 — A/42 dated 20.1.43 fixation of price 1941-42 Season — definition of term "Average price" draft Amendment issued. } We are not in draft Amendment proposed

(True Copy)

(Sd) N. Channaveerappa.
A.D. Singaram
19/2/43

Chairman
Spl Committee.

A/1681/43
16-2-43

THE INDIA SUGARS & REFINERIES, LIMITED.

(Registered Office Hospet, Bellary District)

V. RAMALINGAM,
Managing Agent

HOSPET, Bellary District.

Codes Used :—Bentley's
Tel: "SUGARS" Hospet

Ref. No 1567

OFFICE OF THE DIRECTOR OF AGRICULTURE
RECEIVED
C. 2./36/43
16 FEB 1943

DIRECTOR OF INDUSTRIES & COMMERCE
16 FEB 1943
MADRAS

UNDER SECRETARY
15 MAR 1943
DEVELOPMENT DEPARTMENT

15th February 1943.

The Secretary,
Development Department,
Government of Madras,
MADRAS.

Thro'
The Director of Industries & Commerce,
Chepauk,
MADRAS.

Sir,

Sugar Average Price for period
1-12-1941 to 15-6-1942.

Objections Called for- Fort St. George Gazette Part I Extraordinary No.21 dated 21-January 43- Amendment- Sub Section Paragraph 2.

We beg to submit in respect of the proposed amendment the words 'on rails at Hospet' used in respect of the first part and 'Ex-Factory' used by the Sugar Controller for India in the second part has created some confusion and given room for wrong interpretation. The prices realised whether 'on rails' or 'Ex-Factory' in respect of our factory at any rate at Hospet would be the same because we have a railway siding in the factory premises. The use of the different terms in the same -

pp 57-58 above

same Notification has, we submit given room for misunderstanding and great hardship for ourselves. We pray, therefore, that the proposed amendment "Exfactory' may be substituted for 'On Rails'.

We beg to remain,
Sir,
Yours obediently,
For THE INDIA SUGARS & REFINERIES LIMITED,

Secretary.

85

THE INDIA SUGARS & REFINERIES, LIMITED.

(Registered Office : Hospet, Bellary District)

V. RAMALINGAM,
Managing Agent

Codes Used :—Bentley's
Tel : "SUGARS" Hospet

Ref. No 1583

HOSPET, Bellary District.

16th February 1943.

The Secretary,
Development Department,
Government of Madras,
Madras.

Thr'
The Director of Industries and Commerce,
Chepauk,
Madras.

Sir,

Sugar- Average Price for period 1.12.1941 to 15.6.1942.

Objection called for- Fort St.George Gazette Part I Extraordinary No.21 dated 21st January 1943 Amendment - Sub section Paragraph 2.

Further to our letter dated 15.2.1943 we beg to add the following for the "Ex factory price" shall mean the price fixed for the goods at the factory whether delivered to the purchaser or not. We have to point out that owing to the serious transit difficulties, now experienced and even otherwise the goods are sold but sometimes have to be kept undelivered. Hence it should be understood that the terms on which the sale is made and the price fixed thereunder shall be taken as the price ex-factory as notified by the Sugar controller for India.

P.T.O.

The above factors may be made clear in the notification.

We beg to remain,

Sir,

Your most obedient servants,
For THE INDIA SUGARS AND REFINERIES LTD.,

SECRETARY.

LN:PKS.

Office of the Director of Industries and Commerce, Chepauk, Madras, 5th March 1943.

Endorsement No.228-A/43 dated 5th March 1943:

Submitted to the Secretary to Government, Development Department, through the Director of Agriculture, Madras. These letters were received in my office on 16th and 17th February 1943.

Director of Industries & Commerce.

C.V./6-3.

To the Director of Agriculture, Madras.

Endorsement No. C.2. 1361-42 dated 13 March 1943.

Forwarded in continuation of this office letter No. C.2. 1361-42 d/ 23.2.1943. The endorsement of the Director of Industries & Commerce was received in this office on 8-3-1943.

Director of Agriculture.

C & B.

Dev. Dept.

Issue today 20.1.43

Subject:- Acts and rules - Sugar cane Act - Hospet controlled area - Fixation of price 1941-42 season - Definition of term cane price Amendment - issued.

Read again:- G.O. No. 2014 (MS) Dev. Dt 11.3.1941.

Read also:- Letter from the D.A., No. C.2.1361-42 dt 23.2.1943.

Order No. 357 MS. Dt. 20-3-1943.

In Dev. Dept. notification No. 21 dated 20-1-1943 published in the Fort St. George Gazette Extraordinary dated 21.1.1943, the Govt. of Madras published under section 4 of the Sugar-cane Act, a draft amendment to Dev. Dept. notification No. 784 dated the 3rd November 1941 published at pages 1325-1326 of Part I of the Fort St. George Gazette dated the 11th November 1941. His Excellency the Governor of Madras has considered the objections or suggestions received and is hereby pleased to confirm the notification as appended to this order. It will be published in the Fort St. George and Bellary district gazettes.

2. The D.A. Coll. of Bellary is requested to instruct the D.A.O., Bellary Rev. staff in Hospet taluk to bring the contents of the notification to the notice of the ryots in important sugar cane areas in the Hospet taluk.

3. The D.Q.&C. is requested to determine the average price of white sugar in accordance with the amendment now issued during the period 1.12.1941 to 15.6.1942 and to publish under his authority at the Office of the Tahsildar, Hospet, a revised notification of the average price of white sugar in supersession of his

To the D.A.
To the D.Q.&C.
To the Coll. of Bellary
To the S.G.P.P. for publication.
The Supdt. - F.S.G. gazette to issue
(3 copies for file)

Clerk

notification dated 2-9-1942.

M.
15/3/103
Cl

[F 14]

Notification.

In exercise of the powers conferred by sub section (2) of section 3 of the Sugarcane Act 1934 (Act V of 1934). His Excellency the Governor of Madras is hereby pleased, after previous publication as required by section 4 of the said Act, to make the following amendment to Dev. Dept. notification No. 784 dated the 3rd November 1941, published at pages 1325-1326 of Part I of the Fort St. George Gazette dated the 11th November 1941.

The amendment hereby made shall be deemed to have been made and to have come into force on and from the 3rd Nov. 1941.

Amendment.

In the said notification, for paragraph (2) of the Explanation, the following paragraph shall be substituted, namely:-

"(2) The average price of white sugar shall be the average price based on the prices realized on rail at Hospet for one ton of white sugar on and from the 1st December 1941 up to the date on which the price of sugar was controlled by the Sugar Controller of India, namely, the 14th April 1942 and the ex-factory price fixed by him for one ton of white sugar in respect of the sales subsequent to that date till the 15th June 1942 excluding in both cases excise duty and sales tax but including commission to selling agents."

G. 15/3/103

M.
15/3/103.

NOTE FILE

39

Development Department.

Subject:- Acts and Rules- Sugarcane Act- Hospet controlled area- (Bellary district)- India Sugars and Refineries, Ltd.- Delay in payment of deferred bonus.

C.No.22801 A/42. Petition from the sugarcane growers of Hospet, dated 7-9-1942.
Endorsement to the D.I. & C. No.22801 A/42-1 dated 12-9-1942.
Telegram from the President, Ryots' Association. Hospet d.23-9-42.
Memo to the D.I.& C. and the Collector of Bellary, No.22801/A/42-2 dated 29-9-1942.
Petition from the President, Ryots'Association, Hospet dated 24-9-1942.
Petition from the President, Ryots' Association, Hospet, dated 25-9-1942.
Letter from the D.I. & C. No.4030-A/42 dated 2-10-1942.

Extract of notes on page18 c.f.

The report from the Collector of Bellary called for in para 2 on pages 8-9 ~~(above)~~ c.f. and the further report from the D.I.& C. with reference to 'A' on page 17 ~~(above)~~ c.f. may be awaited till 10-10-1942.

C.P.M.
6-10-1942.

Secy. may see.
T.S.
7-10-1942.

M.C We had telegrams about this from ryots a few days ago. show them.

C.P.K.
8-10-1942.

Submitted.
Attention is solicited to pages 3-5 c.f. in this file, & page 1 c.f. the linked file.

S. 15/10/42 CM 18/10/42

16/10/42

16/10/42

AJS

U5 '91

p16xc f.

The attached telegram was opened by Lady Hood after Sir Hugh Hood had left today.

He will be in Skaters on Monday 5/10/42.

Please forward it to him

gwvs
3/10/42

Submitted

MVS
5/10/42 — p16(a) c.f.

What is this about? Hd to do Dev Law

Is this what is from Hospet days Cause 1908 - Aug. Dev: Hist. Ass

F Section of any Heat Files
are no previous papers there
Transferred to 'A'
CAS
7-10-42

2-3-B

Dw. Dept.

Please see the telegram on p. 1 (16a) of. and A 2's query on p. 3 above.

2. The Telegram on p. 1 is from the sugar cane growers of the Hospet controlled area who have supplied cane to the India Sugars and Refineries Ltd., Hospet.

3. There has been delay on the part of the Factory in making payments of the deferred bonus to the cane suppliers. The matter has been referred to the Collr. of Bellary for report. (The main file was submitted to Secy. for (Dw. Secy. is Kutt.) perusal on 7-10-1942 - C.O. 2280/A/42)

4. On the telegram on page 1, the ryots have referred to an appeal from the Factory. No appeal has been received in this dept - from the Factory.

(Dw. Dy. Secy. 23-26 of)

S 12/10/42 B Collr 13/10

10/10/42

1x/10

§ 2 Letter from the D. of C., No. 4030 A/42 dt 15-10-1942

p 29 Cf. From the Collector of Bellary, D.O. No. 2198/42 dt 21-10-42

p 31 Cf Memo to the D. of C., No. 22801A/42-5 dt 26-10-1942

p 33 Letter from the D. of C. No. 4030 A/42 dt 29-10-1942

p 35 Cf Letter from the D. of C. - No. 4030-A/42 dt 29-10-1942

37 Cf Telegram to the D. of C., dt 3-11-1942

Letter from the D. of C., No. 4030 A/42 dt 6-11-1942

Dev. Dept.

This file relates to

(1) a representation to the Government from the India Sugars and Refineries Ltd., Hospet against the calculation of the average price of sugar notified by the D.I. & C. and

(2) the delay on the part of the company in the payment of the deferred bonus to those who supplied sugarcane to the firm in the 1941-42 season.

2. Item (1) in para 1 above:- In pursuance of sub-section (2) of section 3 of the sugar-cane Act, the Govt. of Madras fixed the minimum price of sugar-cane to be paid by the factory as follows:-

(1) Rs.8/- per ton of sugarcane for a sugar price below Rs.130/- per ton excluding excise duty and sales tax but including commission on sales.

(2) Rs. 8-1-7.2 per ton of sugar-cane for a sugar price of Rs.180. and

(3) an increase of 9.6 pies and 3.7 pies respectively for every ton of foreign and local varieties of canes for every rupee by which the average price of white sugar is in excess of Rs.180/- per ton.

3. The average price of white sugar was defined as the average price realised on sales at Hospet for one ton of white sugar excluding excise duty and sales tax but including commission to selling agents during the period commencing on and from 1-12-1941 to 15-6-1942". The average was to be determined and published by the D.I. & C. under his authority at the office of the Tahsildar of Hospet.

4. Out of a total of 35341 bags of sugar sold by the factory from 1-12-1941 to 15-6-1942, as much as 15073 bags were sold

otherwise than on rails at Hospet

~~the factory~~ to Sri V. Ramalingam, the Managing Director of the India Sugars and Refineries Ltd., who is also its recognised wholesale dealer. In addition to that quantity, 469 bags were sold ex-godown. The Chartered Accountants who audited the accounts of the firm took into account the 15542 bags sold at the factory and ex-godown while calculating the average price of white sugar and arrived at Rs.274-4-5 as the average price of white sugar. The D. I. & C. enquired of the Govt. whether the quantity sold elsewhere than on rails at Hospet may be taken into account for calculation of average price. He was then told that the provisions of the statutory notification should be construed strictly and that the price of sugar 'realised on rails at Hospet' should alone be taken into consideration for calculating the average price of sugar. He has accordingly calculated and notified the average price of white sugar at Rs.286-7-9 per ton. - p. 40 c.f. According to the D. I. & C's.notification, the firm is to pay Rs.12-3-4 per ton of cane in excess of the price as calculated by the auditors.

5. The firm has now preferred a representation to the Govt. against the average price declared by the D. I. & C. - pp. 23-26 c.f. The grounds on which the representation is based are:--

(1) There is no distinction between the price ex-factory and the price realised on rails at Hospet. (The control price fixed for delivering both by rail and ex-godown, Hospet from 1st May 1942 was Rs.31-15 per bag, and the company charged the same price whether the purchaser chose to buy the sugar ex-godown or on rails at Hospet).

(2) According to the orders of the Govt. of India, the buyer was to have the option of having the sugar loaded into his carts or lorries or into the railway wagons at the railway station or siding generally used by the producer, all incidental charges including those for siding and forwarding being on account of the ~~xxxxx~~ producer.

(3) Under the Sugar Control Order the Company could

sell its sugar only to or through a recognised dealer; Mr. V. Ramalingam is the sole selling agent of the sugar produced by the Company and it was for him to decide whether the purchase should be ex-factory or ~~on~~ free on rails at Hospet.

(4) The Company realised only Rs.31-15-0 per bag and that figure should be taken into account in arriving at the average price of sugar.

For these reasons, the Company requests that the sales elsewhere than on rails at Hospet should also be taken into account in calculating the average price of sugar.

6. The remarks of the D. I. & C. on the representation are on p.21 c.f. For the reasons stated by him, he is in favour of complying with the request of the firm. It is for orders whether the request will be granted. If so the notification dated 3rd November 1941 will have to be amended. For orders.

7. Item (2) in para 1 above:-- According to the Govt. notification No. 609, dated 5th September 1941, payment for all sugarcane purchased for a factory in the Hospet controlled area of the Hospet revenue taluk during the 1941-42 season should have been made as detailed below:-

(1) The basic minimum price for all sugarcane purchased should have been paid within 15 days after the completion of delivery of sugarcane in the factory; and

(2) any excess due over and above the minimum price should have been paid not later than 30-6-1942.

The average price of sugar was notified on 16-9-1942 as Rs.286-7-9. The India Sugars and Refineries Ltd. seems to have paid the excess due over and above the basic minimum price based on the average price of sugar as calculated by the auditors, namely Rs.274-4-5, as the firm has not accepted the average price notified by the D. I. & C. It has submitted a representation to the Govt. in the matter; pending the decision of the Govt. on the representation, the Company has not paid to the ryots the difference between the excess amount due as per the average price as calculated by its auditors and that due as per the average price notified by the D. I. & C; but the company is said to

have deposited with the Collector of Bellary a cheque for Rs. 17,700/- representing the excess amount still due to the ryots as the average price notified by the D. I. & C. The ryots have complained about the delay in the payment of the deferred bonus as per the average price notified by the D.I. & C. Probably the Company will pay off the dues on hearing of the decision of the Govt. on its representation. It is for consideration whether any action will be taken in the matter; if so, the Collector of Bellary will have to be directed to proceed against the Company to enforce the penal clause contained in Govt.'s notification No. 639, dated 5-9-1941.

Yr orders.

(Notes from p. 6 above)

9.
1.9/11/42

Although it would be different after the Contract Act Case and from whether the sugar was sold ex-factory or on rails, I see no justification for amending a Statutory Notification just to enable the factory to take into account the sales made by its Managing agent ex-factory for purposes of computing the average price realised on Rails at Hospet. A Statutory Notification should be construed strictly. I would reject the appeal.

S

The intention in our Notfn. fixing prices of sugarcane was to enable the ryots to get a proper share in the sugar prices obtained by the factory. A minimum basic price was fixed, which was to be paid immediately after delivery of the cane, the balance being paid after the actual receipts from sales are ascertained at the end of the season

Notfn at (4) Para 2 of (5)

During the ~~entire~~ season, the sugar prices at which the factory could sell were fixed by the Sugar Controller and the factory had no authority to sell above those rates. The average sugar price, on which the ryots could have a share, shd. be calculated on the whole sales of the season (1st 15. 6. 42) and not on part of the sales. This means the average rate based on the prices realized ~~of the Controller~~ by the factory on rails at Hospet upto the date of the Control by the Sugar Controller and the ex-factory price fixed by him in respect of sales subsequent to that date. The ryots are entitled only to this rate calculated thus, according to our intention. Whether legally the ryots are entitled to any other rate is another question. Legal may please advise with regard to these facts. Their previous advice is at p. 2 of (M).

CAN
18/12

Legal

D.O. no 22801 A/42-6

Legal Department

(R) 21.12.42

As the statutory notification stands, only the prices tually realized on rails at Hospet should be taken into count for the purpose of determining the average price of the sugar. If the ex-factory prices are to be taken into account in any cases or class of cases, the statutory notification should first be suitably amended. The amendment will have to be given retrospective effect, if the average price of sugar already fixed and notified by the Director of Industries and Commerce in this case is to be altered. There is no legal objection to giving such retrospective effect to the amendment in the circumstances of this case, but whether it is necessary or expedient to do so is a question of policy.

KM
24/12/42

Legal No. F547
30795 24/12/42

ASSISTANT SECRETARY I
23 DEC 1942
LEGAL DEPARTMENT

29 DEC 1942

UNDER SECRETARY
28 DEC 1942
DEVELOPMENT DEPARTMENT

2280/42

Dev. Def. 11

Notes from page 6 above may be read.
The case may be circulated for orders whether the average price of white sugar will be ~~calculated~~ based on the prices realised by the factory on raisins at ~~Hop~~ Hospet up to the date of the control by the Sugar Controller and the ex-factory price fixed by him in respect of sales subsequent to that date. If so explanation (2) to the notification at page 1 of (R) will require amendment with retrospective effect.

The Statutory Notification may be amended with retrospective effect (Note from p. 6).

31/12/42

A2 Yes Notified.

8/1/43

12-1-43 D.J. 7.1.43 Cal 7/1/43

A draft order is submitted for consideration if may be sent to Legal for scrutiny of the draft notification.

Legal 11/1/43

10/1/43 11/1/43

LEGAL DEPARTMENT.

Dev. Def. No. 2280/A/42-7 (11.1.43)

Section 4 of the Sugar-cane Act, 1934 requires that before any notification is issued under section 3(2), a draft of the notification should be published and a period of not less than 30 days from the issue of that notification should be given for the receipt of objections or suggestions A similar procedure should also be adopted if a notification under section 3(2) is to be amended - see section 21 of the General Clauses Act, 1897. The notification in the draft cannot therefore be issued straightaway but can be issued

ASSISTANT SECRETARY
13 JAN 1943
LEGAL DEPARTMENT.

only after previous publication as required by section 4. The following paragraph may be placed at the commencement of the draft notification:-

"The following draft of a notification which it is proposed to issue in exercise of the powers conferred by sub-section (2) of section 3 of the Sugar-cane Act, 1934 (XV of 1934) is hereby published as required by section 4 of the said Act for the information of all persons likely to be affected thereby. Notice is hereby given that the draft notification will be taken into consideration on or after the ..... and that any objection or suggestion with respect thereto which may be received from any person before the date aforesaid will be considered by the Government of Madras. Objections and suggestions should be sent through....."

The exact date on which the price of sugar was controlled by the Sugar Controller for India may be specified in paragraph (2) of the Explanation in the draft amendment.

The other alterations indicated in red ink on the draft amendment may also be made.

13/1/43. S

Dev..Dept.

A revised draft memo is submitted for consideration. 1152

As it is proposed to issue the notification in an extraordinary issue of the F.S.G.G., the Education and Public Helath Department may see before issue.

20/1/43

E.P.H. 20/1/43

Necessary instructions may be issued to the S.G.P (E.P.H (E)) to issue the notification in an Extra-ordinary issue of the Fort St. George Gazette. A draft T.M. is submitted for approval. This file may be returned to development Deptt.

20/1/43.

20.1.43.

Dev. Dept

The draft memo may issue.

Development

Act no XV of 1934

947 (S)
2 C JAN 1943
EDUCATION AND PUBLIC HEALTH DEPT.

947(S)

22801 A

(1)

13

Extract from A-2's minutes dated 18th January 1943.

Hospet Sugar Factory.

1574

What is the dispute about the amount to be paid to ryots for last crushing season? Where is it pending and why have orders not been passed?

H.H.H. 18.1.1943.

Will Dy. Secy. please answer the above queries.

A-R-C ·W.
19/1/43.

Submitted. Attention is solicited to the notes from page 6 above. I saw the file on 9/1/43. A preliminary notification announcing the proposal to amend the definition of the term 'average price has been will be published in the F.S.I. Gazette on 21·1·1943. The amendment will be taken up for confirmation after a month from date of publication

6·1

10/1/43 23/1/43

too much delay in dealing with it

A2 20/1/43

C. 22/1/43
R 26/1/43

C. 27/1/43

Is there any delay in a Govt. file? Efficiency is a matter of habit.

Herbert

Notwithstanding
price of cane — the
previous year
Money deposited with
Joint Collector
What is the stage?

Cuo
26.1.43

Dy. Sec

Submitted. Attention is solicited to the notes from page 6 above.
The notification on pages 49-50 of. has been published in the F.S.G. Gazette on 21.1.43. The confirmation of notification can will be taken up only after 21.2.43.

27/1 | 43 27/1/43 The original notification Contemplated that the price declared on Cane above should be taken into consideration for purpose of Calculating the average price of Sugar. (P 23-26 ?) the factory contended that after the introduction of 'Control' it made no difference whether the sugar was sold on Cane or Co-factory that the sales made by factory & their Managing Agent should also be taken into account while Computing the average price. It was decided & allow the request of the factory & amend the Notification with retrospective effect. Legal advised that the Notification could not be amended without giving 30 days notice as required by S4 of the Sugar Cane Act. A preliminary notification has accordingly been issued on 21.1.43.

Attention is invited to the notes at (R) on page 13 ante.

[Action Comments on the Delay at p. 13 ante.]

The original notification contemplated that the price realised on rails alone should be taken into consideration for purposes of calculating the average price of sugar. The factory contended that after the introduction of 'control' it made no difference whether the sugar was sold on rails or ex-factory and that the sales made ex-factory and to their Managing Agent should also be taken into account while computing the average price. It was decided to allow the request of the factory and amend the notification with retrospective effect. Legal advised that the notification could not be amended withou giving 30 days' notice as required by Section 4 of the Sugarcane Act. A preliminary notification was published on 21-1-1943.

(A.2 has commented on the delay at page 13 N.F. Attention is invited to the routine note at (Z))

T.S.
28-1-43.

Please see marked file
21.2.43
Ans
27.1.43.

Letter from the President, Ryots' Association, Hospet, ℔. dt 8.2.43

Letter from Sri A. Ranganatha Mudaliar. ℔ 6.2.43

Attention is invited to the letter from the President, Ryots' Association Hospet at ℔. 59 c.f. and the English translation of the resolutions passed at a meeting of the ryots association at ℔℔ 61-62 c.f. A draft memo is submitted for approval

2 Attention is invited to the letter from Sri A. Ranganatha Mudaliar on pages 65-66 c.f. with reference to para 2. on ℔℔ 65-66 c.f. a draft letter is submitted for approval. As indicated in para 3 on ℔. 66 c.f. has been given to B section for necessary action. 8.1.43

[illegible] 1.2.43 Memo to the President, Ryots Association, Hospet, No. 22801 A/42.1 dt 13.2.43

23/2/43 66 69 Letter to Sri. A Ranganatha Mudaliar, Besant Memorial Building, Armenian St., Madras, No 22801/A/42.11 dt 13.2.43

c.f.

Letter from the President Ryots Association, Hospet, dt 19.2.43

Letter from the D-A., No. C.2. 361.42 dt 23.2.1943.

2287/A

Dev. Dept.

Notes on pp.6-11 above, the memo on pp.42-50 c.f. and the Director's letter and enclosures on pp.73-75 c.f. may be perused.

The only objection to the proposed amendment is contained in the letter from the President of the Ryots' Association, Hospet, on pp.74-75 c.f. He has stated that the factory sold an abnormally large number of bags during the control period i.e. after 15.4.42; that the low controlled price, if taken into account in full, will bring down the average price for the whole season, that a normal average quantity of sales for the period from 15.4.42 to 15.7.42 should be fixed ~~and that only the~~ in conformity with the average of sales for the earlier period and that only such normal average of sales during the controlled period should be taken into account for arriving at the average price of sugar for the whole season.

It is submitted that the factory can in justice make payment for the cane it purchased only on the basis of the prices realised by it for the sugar it produced. The amendment seeks to provide for this. For orders whether the amendment will be confirmed.

25/2/43

The Contract has an unexpected development the factory had no option but to sell its sugar at the Controlled prices, whether on Credit or otherwise. It is unfair to penalise the factory for a development which it could not have foreseen the Section may be over ruled the amendment confirmed

SECRETARY TO GOVT. DEVELOPMENT DEPT. 13 MAR 1943

26/2/43

This deposit goes to the sugar mill and not to the ryot. The amendment legalises the computation at A on p 10. accepted on p

A2

3/3/43

13/3/43

Please see the orders in circulation on page above
A draft order is submitted for approval. It may
be sent to legal for scrutiny of the draft notification before
issue.
15/3/43.

[Please see Ms 7479-80 c.f. and the notes on p 78 c.f.
The resolution of the Hospet Sugar Cane Growers Cooperative
Society Ltd., is not time barred. But it does not seem
to call for any further consideration as it has merely
stated that "it is not in favour of the draft amendment
proposed."]

15/3/43

Legal

Legal depts

Dy.No 2280/Agri/42-13
15/3/43
(Govt Act-XV of 1934)

The draft notification is in order.
16/3/43 S

15/3/43

UNDER SECRETARY
18 MAR 1943
DEVELOPMENT DEPARTMENT

1712
Agri II
Legal Sub
1712-1
18-3-43

ASSISTANT SECRETARY
16 MAR 1943
LEGAL DEPARTMENT

Dr

The draft order may now issue

16/3/43

[Attention is invited to the letters on pages 81-85 c.f. The D.H.'s recommendations in the proposed amendment may be confirmed]

Dr. 20/3/43

Drafts 81 c.f.
(with copy of Govt case file)

5062

[Issued as G.O. Ms. 351, Dated 20.3.1943

Routine

Dev.

Subject:- Acts and Rules - Sugar cane Act - Hospet controlled area - (Bellary district) Fixation of price of sugar cane - 1941-42 season - Definition of term 'average price' amended.

Read again:- G.O.No. 2014 (MS) Rev dt 3-11-1941

(M) Govt memo. No. 20362 A/42-4 dt 24-8-42

Read also:- From the Managing Agent, The India Sugars & Refineries, Ltd. Hospet, dated 12-10-1942

From the D. G. & C., No. 4030 A/42 dt 6-11-42

Order No (MS) dt

The appended notification will be published in the Fort St. George Gazette.

2. The D. G. and C. is requested to revise his notification dated 2-9-19 regarding the average price of white sugar at Hospet, taking into account the average price of white sugar, as now defined, and to publish the same at (R) the office of the Tahsildar, Hospet as early as possible.

dt. 11/11/43

To the D-G & C.

To the Managing Agent, India Sugars & Refineries Ltd.,

To the Sgt. for publication in F.S.G. Gaz. Hospet

To the Collr. of Bellary.

To the D. A. [H.C. from notes]

(Copies for file)

Appendix.

Draft Notification.

In exercise of the powers conferred by sub-section (2) of Section 3 of the Sugar-cane (1934) Act, (XV of 1934), His Excellency the Governo

Madras is hereby pleased to make the following amendment

~~The~~ Development Department Notification No. 784 dated the 3-11-1941 published at pages ~~of the~~ Part I of the Fort St. George Gazette dated the 7-11-1941

Amendment.

In the said Notification, for paragraph (2) of the Explanation, the following paragraph shall be substituted, namely;—

"(2) The average price of white sugar shall be the average price based on the prices realised on rails at Hospet for one ton of white sugar on and from the 1st December 1941 upto the date on which the price of sugar was controlled by the Sugar Controller of India namely the ..... ⊗ ..... and the ex-factory price fixed by him for one ton of white sugar in respect of the sales subsequent to that date, excluding in both cases excise duty and sales tax but including commission to selling agents."

The above amendment hereby made shall be deemed to have been made and to have come into force on and from the 3-11-1941.

M

⊗ To be filled in by Dept. — See note

5.11.43

11/11/43

T 1/11/43

Routine Note (Secret. 22801H/42)

11-9-42 Receipt of petition - p 1 cf
12-9-42 Endt. to D.9te. - p 1 cf
28-9-42 Recpt of Telegram - p 3 cf.
29-9-42 Memo to D.A., D.9te. of Colls. p 7-9 cf
29-9-42 Receipt of petitions. p 4 cf
4-10-42 Receipt of D.9te's report. p 17 cf
7-10-42 Submitted to Secy. p 18 cf.
15/10/42 D.O. reminder to Colls. of Bellary & D.9te.
15/10/42 Submitted to Secy. p 19-20 cf
21-10-42 Receipt of D.9te's report with the representation of the [illegible] p 21 cf.
24-10-42 Receipt of cable from Secy. p 22 cf.
26-10-42 Memo to the D.9. te p 31 cf
Submitted to Secy. - p 23-24 cf
2-11-42 Receipt of Letter from the D.9te. p 33 cf.
3-11-42 Telegram to the D.9te p 37 cf.
9-11-42 Receipt of letter from the D.9te. p 36 cf.
10-11-42 Receipt of report from DA. p 41 42 cf
-11-42 Receipt of file from Secy p 1 nf.
19-11-42 Note put up by Office p 6-9 nf.
25-11-42 File passed by D.S. p 9 nf
18/12-42 File passed by the Secy p 10 nf.
21-12-42 Sent to & sent to Legal - p 10 cf.
29-12-42 Returned from Legal p 10 nf
30-12-42 Submitted to DS. p 11 nf
31-12-42 Submitted to Secy p 11 nf.
2-1-43 Submitted to A2 p 11 nf.
8-1-43 Received back from Sir p 11 nf. Office from circulation.
11-1-43 Sent to Legal with draft orders. p 11 nf
16-1-43 Returned from Legal
16-1-43 Telegram to Govt. of Madras &c.
19-1-43 Telegram from Govt. of Madras &c.
20-1-43 Sent to E & P.H. p 12 nf
20-1-43 Returned from E & P.H p 12 nf
20-1-43 Amendment to Notification issued p 12 nf
21-1-43 Rev Amendment to Notification published.

New Delhi

Extract of orders on p. 13 n/f.

Too much delay in dealing with it.
H M-H. 26-1-43

Is there any delay in the Cooly Office.

Explain in a routine note.

T.S.
28/1/43.

Submitted. Attention is solicited to the table of dates in the margin showing the stages of the file. The file was in Cooly Office from 15-10-1942 to 19-10-1942 when the initial note was prepared. On other occasions there was no delay in Cooly Office.

It is submitted that the preparation of the initial note took some time as the case was a difficult one to deal with

A/ Such instruction 322 (Standing Order) has not been contravened either on this occasion or in the case there were no unduly delays in the Cooly Office at any stage.

28/1/43

Noted down on the 19th
file was put up on 20th
by Sri [illegible]
and on return [illegible]

Registered No. M-1

[PRICE, 6 *pies*.

THE FORT ST. GEORGE GAZETTE

PART I—EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 33] MADRAS, MONDAY, NOVEMBER 30, 1942

DEVELOPMENT DEPARTMENT.

MINIMUM PRICE FOR THE PURCHASE OF SUGARCANE IN HOSPET CONTROLLED AREA.

Fort St. George, November 28, 1942.

No. 567.

The following draft of a notification which it is proposed to issue in exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act, 1934 (XV of 1934), and in supersession of Development Department Notification No. 784, dated 3rd November 1941, published at pages 1325–26 of Part I of the *Fort St. George Gazette*, dated 11th November 1941, is hereby published as required by section 4 of the said Act, for the information of all persons likely to be affected thereby. Notice is hereby given that the draft notification will be taken into consideration on or after the 30th December 1942 and that any objection or suggestion with respect thereto which may be received from any person before the date aforesaid will be considered by the Government of Madras. Objections and suggestions should be sent through the Director of Agriculture.

DRAFT NOTIFICATION.

In exercise of the powers conferred by sub-section 2 of section 3 of the Sugarcane Act, 1934 (XV of 1934) and in supersession of Development Department Notification No. 784, dated 3rd November 1941, published at pages 1325–26 of Part I of the *Fort St. George Gazette*, dated 11th November 1941, His Excellency the Governor of Madras is hereby pleased to fix with effect on and from 1st December 1942, Rs. 10 per ton as the basic minimum price for the purchase of sugarcane (all varieties) in the controlled area of the Hospet revenue taluk of the Bellary district, such sugarcane being intended for use in a factory as defined in the said Act and to direct that

(i) when the average price per ton of white sugar (otherwise known as Aska sugar) as determined and notified in the manner explained below is Rs. 200 the

minimum price for the purchase of sugarcane (all varieties) in the controlled area in respect of sugarcane purchased not later than 15th June 1943 for use in a factory shall be Rs. 10 per ton ; and

(ii) when the average price per ton of white sugar as determined and notified in the manner explained below exceeds Rs. 200 an amount calculated at 9·6 pies for each ton of foreign varieties of canes and 8·6 pies for each ton of local canes for every rupee by which the average price of white sugar is in excess of Rs. 200 shall be fully paid in addition to the minimum price specified in clause (i) in respect of every ton of foreign varieties of canes or local canes, as the case may be, purchased not later than 15th June 1943 for use in a factory.

The payments to be made on every ton of foreign varieties of canes and local canes shall be as detailed in columns (2) and (3) respectively of the schedule below for the average price per ton of white sugar noted in column (1) of the said schedule.

SCHEDULE.

Price per ton of white sugar excluding excise duty and sales tax but including commission to selling agents. (1)	Foreign varieties (all Coimbatore varieties such as Co. 290, 413, 281, 419, etc., and introduced varieties like POJ 2878, Fiji B, etc.). (2)	Local varieties (Bilai Kabbu and Hottai Kabbu). (3)
	Rs. A. P.	Rs. A. P.
200 and below ..	10 0 0·0	10 0 0·0
201	10 0 9·6	10 0 8·6
202	10 1 7·2	10 1 5·2
203	10 2 4·8	10 2 1·8
204	10 3 2·4	10 2 10·4
205	10 4 0·0	10 3 7·0
206	10 4 9·6	10 4 3·6
207	10 5 7·2	10 5 0·2
208	10 6 4·8	10 5 8·8
209	10 7 2·4	10 6 5·4
210	10 8 0·0	10 7 2·0
211	10 8 9·6	10 7 10·6
212	10 9 7·2	10 8 7·2
213	10 10 4·8	10 9 3·8
214	10 11 2·4	10 10 0·4
215	10 12 0·0	10 10 9·0
216	10 12 9·6	10 11 5·6
217	10 13 7·2	10 12 2·2
218	10 14 4·8	10 12 10·8
219	10 15 2·4	10 13 7·4
220	11 0 0·0	10 14 4·0
	and so on.	and so on.

Explanation.—(1) The minimum price specified is for delivery of sugarcane at the factory.

(2) The average price of white sugar shall be the average ex-factory price realized for one ton of white sugar excluding excise duty and sales tax, but including commission to selling agents during the period commencing on and from the 1st December 1942 till 15th June 1943.

(3) The ex-factory price shall be the price of white sugar, packed in accordance with the usual market practice and loaded at the buyers' option, on to buyers' carts or lorries, or into railway wagons at the railway station or siding generally used by the producer, all incidental charges, including those for siding and forwarding, being on account of the producer.

(4) The average price of white sugar shall be determined and published by the Director of Industries and Commerce under his authority at the office of the Tahsildar, Hospet.

No. 568.

In exercise of the powers conferred by section 7 of the Sugarcane Act, 1934 (XV of 1934), His Excellency the Governor of Madras is hereby pleased to make the following rule :—

RULE.

Notwithstanding anything contained in rule 8 of the Madras Sugarcane Rules, 1938, payment for all sugarcane purchased for a factory in the controlled area of the Hospet revenue taluk during the ensuing sugarcane purchasing season shall be made as follows :—

(i) The basic minimum price for all sugarcane purchased shall be paid within fifteen days after the completion of delivery of the sugarcane at the factory ; and

(ii) any excess due over and above the basic minimum price shall be paid not later than 30th June 1943.

Whoever commits a breach of this rule shall be punishable with fine not exceeding three hundred rupees and in case of a continuing breach with fine not exceeding fifty rupees for each day during which the breach continues after the first day subject to a maximum of two thousand rupees.

T. SIVASANKAR,
Deputy Secretary to Government.

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